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DPRK Envoy Addresses NPT Preparatory Committee

*SK1405024293 Seoul YONHAP in English 0234 GMT
14 May 93*

[Text] United Nations, May 13 (YONHAP)—North Korea threatened Thursday [13 May] to fight any kind of international sanction or pressure with "effective self-defense measures."

The United States was trying to use International Atomic Energy Agency (IAEA) inspections to spy on Pyongyang's military facilities, Pak Kil-yon, North Korean ambassador to the United Nations, said.

Pak, speaking before the nuclear Nonproliferation Treaty (NPT) Preparatory Committee, said the North Korean nuclear situation should be settled in direct talks with the United States.

He demanded that Washington make an apology and stop its espionage activities through the IAEA and Security Council.

The comments came at the NPT Preparatory Committee meeting to discuss fate of the 23-year-old treaty, which expires in 1995.

North Korea announced March 12 it was leaving the NPT, the first among the 155 treaty members to ever do so.

More than 30 nations spoke at Thursday's meeting, urging North Korea to return to the treaty as stated in the Security Council's resolution Tuesday.

On the issue of extending the Nonproliferation Treaty, the majority sided with indefinite extension while some non-aligned countries like Mexico and Nigeria supported extension on condition that the nuclear nations provide security guarantees.

South Korean Ambassador to the United Nations Yu Chong-ha said Seoul was for indefinite extension of the treaty beyond 1995 despite structural problems of the treaty.

Seoul recognized the treaty's contribution to international peace and security, Yu said, the treaty was the only tool in preventing global nuclear spread and it must be strengthened in regime when it was renewed in 1995.

Countering Pak's arguments, Yu demanded that Pyongyang return to the NPT, comply with IAEA's special inspection and inter-Korean agreement for denuclearization.

Pak said North Korea believed nuclear weapons should be eradicated from the world and urged a complete stop to all nuclear testing. He demanded that nuclear countries guarantee not to strike with atomic weapons under any circumstances.

The preparatory committee decided to open the main session on NPT extension at the United Nations April 14-May 20, 1995.

Further Reportage on Tokyo 'Asia Society' Conference

Miyazawa Urges Cooperation

*OW1205140693 Tokyo KYODO in English 1208 GMT
12 May 93*

[Text] Tokyo, May 12 KYODO—[Japanese] Prime Minister Kiichi Miyazawa on Wednesday [12 May] underscored the need for dialogue and cooperation among countries in the Asia-Pacific region to further global prosperity and stability.

Noting the region "holds the key to world prosperity and stability," Miyazawa said in a speech that such efforts through various regional mechanisms are increasingly important.

"Our task is to see to it that such dialogue and collaboration will prove to be of benefit to all of us both within and outside the region," he said.

The premier specifically praised the roles played by such regional forums as the Association of Southeast Asian Nations, Asia-Pacific Economic Cooperation Forum, the Pacific Economic Cooperation Council and the South Asian Association for Regional Cooperation.

Miyazawa made the remarks at the opening of a three-day annual conference of the Asia Society, a New York-based nonprofit group.

He also said the U.S. military presence and engagement in Asian and Pacific countries "are essential stabilizing factors for the region's peace and prosperity."

Saying today's world is characterized by conflicting trends of integration and division, the premier said, "amid this fluidity and uncertainty, no country can remain aloof from tackling the host of problems confronting us."

To forge a "collaborative order" among nations, he said the values of freedom and democracy and the free and nondiscriminatory system of a market economy will be "important guideposts."

Miyazawa cited some specific ways to pursue collaboration, such as beefing up the United Nations, further advancing the process of the Group of Seven major industrialized economies and promoting regional dialogue through various international mechanisms.

"All these efforts should be buttressed through interaction among the government, business, academic and other sectors of the countries concerned," he said.

Muto Speaks on Cambodia, U.S. Ties

*OW1405095993 Tokyo KYODO in English 0916 GMT
14 May 93*

[Text] Tokyo, May 14 KYODO—[Japanese] Foreign Minister Kabuo Muto on Friday [14 May] said a peaceful and stabilized Cambodia is necessary for the

prosperity of the entire Asia-Pacific region and vowed Japan's continued commitment to the country.

Speaking at the New York-based Asia Society's annual conference here, Muto said, "We must not forget peace and stability of the Indochina region in contemplating the development of the Asia-Pacific region."

While referring to stepped-up attacks that caused the deaths of some U.N. peacekeepers in Cambodia, the Japanese foreign minister noted the need to go ahead with the May 23-28 general elections in the war-ravaged country.

"It is most important that we overcome our grief (and) see that the elections are safely carried out as scheduled," Muto said.

In Japan, calls are mounting for the withdrawal of Japanese peacekeepers dispatched to Cambodia after the recent slayings of a Japanese U.N. volunteer and a civilian police officer there.

Tokyo has engaged in U.N. peacekeeping missions in Cambodia since last September, sending 600 army engineers, 75 civilian policemen and eight cease-fire monitors. Some 41 Japanese are also scheduled to arrive in Phnom Penh on Sunday to work as election monitors.

"Japan would like to continue to cooperate closely with UNTAC (U.N. Transitional Authority in Cambodia) and with the countries concerned in order to bring about durable peace in Cambodia," Muto said.

Muto made the remarks in a keynote speech on the final day of the Asia Society's three-day annual conference, "Asia's Role in the Changing World Order."

He also called attention to the need for assistance to Russia, saying, "the success of Russian reforms is vital for world peace and prosperity."

Muto said Tokyo places priority on the resolution of a decades-old territorial dispute with Moscow and conclusion of a bilateral peace treaty through its policy of expanding well-balanced political and economic ties with Russia.

Japan has demanded the return of four Russian-held islands off its northern coast as a prerequisite for furnishing full-scale economic aid to Russia and the conclusion of a peace pact.

Japan bowed to international pressure, however, and agreed to share some of the burden of an international coordinated economic assistance package at a Tokyo meeting of the Group of Seven major economic powers in April.

On the economic front, the foreign minister said it is necessary for the international community to strive to maintain and strengthen open multilateral trading systems so as to sustain development of the world economy.

He also said the 15-member Asia-Pacific Economic Cooperation Group will continue to grow in importance, as a forum to promote "open cooperation" and discuss wide-ranging economic topics such as regional trade liberalization and investment promotion.

Muto attached importance to economic relations with the United States for the prosperity of the Asia-Pacific region, adding the U.S. military presence and engagement in the region is also vital for peace and stability.

Japan's Future Role Debated

OW1405140593 Tokyo KYODO in English 1305 GMT
14 May 93

[By Kohei Murayama and Takehiko Kajita]

[Text] Tokyo, May 14 KYODO—East Asian leaders apparently want Japan to take a greater role in shaping Asia's future but it remains undecided as to the size and direction that role should take.

"Why is it only money, money and money toward Japan," one Filipino journalist said, expressing distress toward a three-day private symposium in Tokyo that ended Friday [14 May]. The conference was sponsored by the New York-based Asia Society.

The journalist said the symposium on Asia's role in the changing world lacked fresh talk on security cooperation.

Delivering a keynote address at the gathering, Singapore Prime Minister Goh Chok Tong said many countries want an increased Japanese role, but "would prefer that Tokyo eschew the status of a military power."

"At present, there is no firm consensus either in Japan, in the region or across the Pacific on what Japan's role should be," he said.

Meanwhile, Vietnamese Deputy Prime Minister Phan Van Khai and other leaders, in separate addresses, called for more foreign investment, both "bilaterally and multilaterally."

Japan had little to say at the conference, despite its recent efforts for more political commitment as Japanese Foreign Minister Kabun Muto expressed Japan's intention to promote financial and technological cooperation with other Asian nations.

[Japanese] Prime Minister Kiichi Miyazawa in a opening address of the conference also failed to present any clear policy on the matter and instead stressed the need for cooperation.

In contrast, other Asian leaders voiced strong commitment to regional security as well as global trade issues, apparently backed by confidence over their economic success.

South Korean Deputy Prime Minister Yi Kyong-sik said East Asian nations will make great efforts to "counter any threat to their export-oriented prosperity," referring

to Western trade blocs—the European Community and the North American Free Trade Agreement.

Malaysian Prime Minister Mahathir Mohamed sought support again for his East Asia Economic Caucus (EAEC) proposal by offering a new framework not intended to “shut others out of the region.”

The proposal, which excludes the United States, New Zealand and Australia, was strongly opposed by former U.S. President George Bush.

At the conference, the Asian leaders cited the need for such a body, but, as Lee [not further identified] said, under “open regional objectives” as in the 15-nation Asia-Pacific Economic Cooperation (APEC) forum, that includes the non-EAEC countries. He apparently recognizes the yet-needed U.S. political presence in the region.

Nevertheless, expectations seem to be growing that Japan will play a larger political role in the post-cold war international community.

“I believe during the 90s Japan will inevitably emerge as one of the major political and security players in the world,” said former U.S. Secretary of State Henry Kissinger.

Washington aims to strengthen ties with Tokyo by resolving unabated trade disputes with Tokyo, according to Winston Lord, U.S. assistant secretary of state for Asian and Pacific affairs.

The policy may reflect the conviction of the U.S. Government that well-balanced Washington-Tokyo ties are vital to help stabilize the Asia-Pacific region and that such relations can be achieved only by correcting its huge trade deficit with Japan.

While Tokyo is keenly trying to gain the political clout to match its economic might, it is moving ahead cautiously and seemingly without direction. There is a growing demand from many leaders in Asia and Pacific countries that Japan shoulder a heavier burden in non-economic facets.

Thailand's Deputy Prime Minister Amnuai Wirawan said the economically powerful Japan is the most likely candidate to take the lead in building “a new Asia-Pacific community.”

To keep up with the changing international structure, it is necessary to offer Japan a permanent seat on the United Nations Security Council, New Zealand Prime Minister James Bolger said at the Tokyo forum. But he also said Tokyo's permanent membership should be examined during a review of the organization's current mechanisms.

The key test for Japan's quest for a greater international role is being challenged in Cambodia, where Japanese military personnel engage in U.N. peacekeeping activities.

For Asian countries, the dispatch of Japanese troops overseas conjures up memories of its wartime aggression and atrocities. Calls are also mounting in Japan for withdrawal of its peacekeepers from the war-torn country in the wake of the recent deaths of a Japanese U.N. volunteer and a civilian policeman.

Tokyo, judging by Muto's remark, appears resolved to continue its peacekeeping mission in Cambodia at least until the end of the upcoming general election there—even at the risk of death for its personnel under the banner of “international contribution.”

It remains to be seen whether Japan can resist pressure from both at home and abroad and continue its tough and painful search for a greater international role in the future.

Asian Leaders Address Forum

OW1305131593 Tokyo KYODO in English 1046 GMT
13 May 93

[Text] Tokyo, May 13 KYODO—Government leaders from Asia and the United States told a private international conference in Tokyo on Thursday [13 May] that free global trade and regional security dialogue are key factors for future Asian growth. The leaders from Malaysia, New Zealand, Singapore, South Korea, Thailand and the United States delivered keynote addresses on the second day of the three-day conference on “Asia's Role in the Changing World Order.”

The conference is sponsored by the U.S.-based Asia Society and it started Wednesday with an opening address by Japanese Prime Minister Kiuchi Miyazawa. Delegates, who also were joined by business leaders, called for an early, successful conclusion to the stalled Uruguay Round of multilateral trade talks being held under the General Agreement on Tariffs and Trade (GATT).

South Korean Deputy Prime Minister Yi Kyong-sik said the failure of the Uruguay Round “would lead to a new outbreak of protectionism and trade disputes.” This will restrict growth of global trade as already seen in the emergence of “two Western Hemisphere trading blocs,” or the European Community and North American Free Trade Agreement, he said.

But he also noted that East Asia should not commit itself in creating an “artificial regional integration with discriminatory arrangements” to cope with the Western actions. On such regional trade blocs, Malaysian Prime Minister Mohamed Mahathir again sought support for his East Asia Economic Caucus proposal, which is strongly opposed by the United States.

“We are not advocating preferential trading arrangements, or a free trade area, or a customs union, or a common market, or economic union for East Asia,” he said. “What we wish to see is the establishment of a loose consultative forum for the economies of the region,” he said, noting that there would be agendas for countries in

and outside the region. He was critical of the rising atmosphere of protectionism and managed trade, especially in North America and Europe, and Japan's low-key commitment in the multilateral trade talks. Thai Deputy Prime Minister Amnuai Wirawan said that Japan is the most logical choice to take the lead in forming a new Asia-Pacific community.

Prime Minister Goh Chok Tong of Singapore agreed with Thailand on economic grounds, but said Asian nations would prefer that Tokyo eschew the status of military power. Goh cited China as the key for future development of Asia, saying that the United States and Japan should take a cautious approach.

"The management of this trilateral relationship will become a major factor of international relations, just as East-West relations were during the cold war," he said, noting that Japan still needs U.S. security umbrella. "Asia needs a stable environment and friendly relations among the countries in the Asia-Pacific," Goh said. "Asian countries also want an international framework that encourages growth and permits investments and trade to flow freely."

Thai Official Gives Address

*BK1405054993 Bangkok BANGKOK POST in English
14 May 93 p 18*

["Excerpts" of speech by Deputy Prime Minister Amnuai Wirawan at the Asia Society's Tokyo conference on 13 May: "Two Pacific Rims, One Pacific Community"]

[Text] That the future is being made right here in our region is borne out by the facts. As we stand on the threshold of the 21st century, there are clear indications that the world's political and economic centre of gravity is shifting towards the Asia-Pacific region. The ratio of Asia-Pacific exports to world exports doubled between the 1960s and the 1980s. The surge is particularly visible in terms of manufactured exports, production, population and other indicators of economic growth.

It has been said that the 21st century will be the Pacific Century and that for the next several decades, the spotlight will be on both the western and eastern rims of the Pacific Ocean.

Between now and the year 2001, we shall witness many changes. In order to brace the changes heralding the new world order, the Asia-Pacific region, along with the rest of the world must find a new role for itself. This is as appropriate a time as any to review the region's past experience and analyse its current situation to prepare for the future.

The fall of the Berlin Wall and the disintegration of the Soviet Union helped reconfigure the distribution of power in the Asia-Pacific. Fortunately, these shifts in power have not so far disturbed the region's dynamic economic growth and development.

I fear, however, that we in this region have become so engrossed with economic miracles and leap into prosperity that we might become oblivious to the potential time bombs facing us. These include environmental problems long swept under the carpet and longterm demographic trends which may strain the region's limited resources. Uncertainty also remains over political developments in our constantly changing global environment. I shall mention a few issues which deserve special consideration.

The first is Japan's quest for a political role commensurate with its economic clout. Few countries are as well-positioned to contribute to the establishment of a new Asia-Pacific community as Japan. Its emergence as an economic superpower along the western rim of the Pacific has been a powerful catalyst for our region's growth.

Japan's moves to play a responsible security role in the Asia-Pacific are indicative of aspirations to help build a new framework for relations in the post-Cold War period. The expressed commitment of Japan to harness this nascent political power through the United Nations or within the framework of regional security cooperation is a positive step in the direction of stability.

The second issue concerns China's attempt to develop its economic strength to match its political power. The success of China's open economic policies, which have borne fruit in the rapid economic development in its five Special Economic Zones, has been a model for emulation.

How China will use the power gained by the marriage of its economic potential and political strength, however, is a subject of endless speculation. China's handling of "internal matters", namely, the question of Hong Kong's future, the long-term status of Taiwan and its domestic political situation will be important indicators of its developing role in the Asia-Pacific.

The third issue is the role of ASEAN which continues to be a stabilising force in Southeast Asia and an anchor for stability in the Asia-Pacific region. ASEAN has emerged from the shadows of the Cold War with the realisation that an expanded mandate would help to ensure the viability of Southeast Asia within the spirit of ZOPFAN (Zone of Peace, Freedom and Neutrality).

The inauguration of the ASEAN Free Trade Area or AFTA should enhance ASEAN competitiveness and encourage regional complementarities. In addition, ASEAN has recently expanded its efforts to engage in meaningful discussions about security coordination in the region, in particular through the ASEAN-PMC (Post Ministerial Conference). With flare-ups of instability across the Asia-Pacific, it would be prudent to search for an institutional framework to prevent their occurrence and contain their effects. In this regard, ASEAN can play a strong partnership role with other interested parties.

With the United States' diminished military presence in the region, the parties that figure most prominently in the Asia-Pacific security equation are China and Japan. The partnership between ASEAN and China is the outgrowth of centuries of friendly contact, notwithstanding the hiatus during the Cold War years.

While China matched its close ties with ASEAN in the political sphere by developing economic relations, Japan's relationship with ASEAN has always been marked by economic interdependence. Especially as Japan's political role in Southeast Asia is still in an embryonic stage, Japan and ASEAN need one another even more to build a constructive political relationship which will complement our symbiotic economic ties.

To pre-empt unhealthy competition for influence, ASEAN may have to promote the channelling of competitive energies into productive endeavours, such as trade and other cooperative ventures. Building networks of interdependence between ASEAN on the one hand, and China and Japan on the other, will replace competition with cooperation in Southeast Asia.

Although the Asia-Pacific region is relatively at peace when compared with other regions of the world, political powder kegs still exist that may undermine attempts to build a regional order. Constantly shifting political instability in Russia, tensions in the Korean Peninsula, conflicting territorial claims in the South China Sea, the continuing uncertainties over Cambodia's future and an accelerating arms build-up by a number of countries in the region. [sentence as published] These are some of the problems that will challenge regional leaders for years to come.

Despite these concerns, the Asia-Pacific's overriding strength lies in its economic dynamism. As the world shifts its attention to economic competition, countries in the Asia-Pacific have likewise redefined their priorities to promote greater intra-regional and inter-regional trade and investment.

Besides ASEAN's efforts to promote intra-ASEAN trade and stimulate greater trade along the Pacific Rim, various clusters of economic cooperation have emerged. The sub-regional growth areas, among Malaysia, Singapore and Indonesia in one group and Thailand, Malaysia and Indonesia in another, and cooperation among the states along the Mekong River [are] examples.

Vietnam, Laos and Cambodia are already engaged in serious efforts to develop free-enterprise systems and to integrate their economies with the rest of the Asia-Pacific region.

Any discussion of a new order in the Asia-Pacific region would be incomplete without mentioning the very significant role of the United States. During the past four decades, the Asia-Pacific has enjoyed and benefited from the US presence.

The contribution to Asia-Pacific prosperity achieved through sustained economic growth and development was two-fold. The US security umbrella helped ensure internal stability for countries within the region and shield their free-market economies from external political threat and allowed them to grow. This growth was nurtured by their access to the large US consumer market.

With the end of the Cold War, the political and security rationale for that relationship disappeared. Trade frictions once glossed over for the sake of political harmony now get top billing in US relations with its regional partners. The contentiousness of the current US-Japan trade disputes is particularly worrying, as it could set the tone for the trade relations between the US and other Asia-Pacific nations.

A big part of the problem, of course, is the stalled Uruguay Round. It cannot be stressed too often that the vitality of the world trading system depends on the successful conclusion of the Round as soon as possible.

The delays have already encouraged unilateralism and heightened trade tensions among partners. Further delays could jeopardise the very existence of the multilateral trade regime that has supported the world's economic growth since the World War II.

To promote more harmonious economic relations in the Asia-Pacific community, the economic superpowers must resist unilateral actions to realise their demands, especially in dealing with developing countries. The Asia-Pacific community would do well to work for an effective conclusion of the Uruguay Round which would set a framework for trade cooperation on a global basis and prevent escalation of current trade frictions.

In the event that the trade talks fail or face unacceptable delays, the Asia Pacific community might consider the alternative of developing a consensus on a cooperative trade framework within the umbrella of Asia Pacific Economic Cooperation (APEC). After all, APEC was established as an economic forum for consultation, and there are no other economic issues as urgent and serious as trade relations among its members.

APEC is quite unique in the sense that it encompasses countries of great diversity in terms of size, stage of economic development, as well as political and economic systems and cultural values. As its members account for half of global economic output, APEC certainly has the capability to become the primary engine driving the global economy. If APEC can operate in harmony with the European Community and the North American Free Trade Area and even AFTA, then the open global trading system will have a renewed lease on life. With its economic underpinnings, APEC could evolve in parallel with forums being contemplated for discussion of security issues. Such developments would constitute a positive contribution to peace and stability within the Asia-Pacific.

To prepare us for potential instability that might disrupt the region's economic growth, we must rely on endogenous [as published] means of resolving disputes, as well as promoting continued, if not greater, political dialogue between both sides of the Pacific rim.

ASEAN's concept of regional resilience on the basis of peaceful coexistence is one such endogenous means to weather political crises. This concept was successfully applied to improve ASEAN-China and ASEAN-Indochina relations. These successes have made ASEAN less of a "security burden" to the US and its allies.

Dialogue between the West and East Pacific should have as its foundation the continued, albeit modified presence of the US along the Pacific's western rim. The US, with its abundance of natural and human resources, will continue to be the key player in Asia-Pacific and in the World. Given the interdependent nature of global economic and political systems, it would be disastrous for all parties if the US were to repeat its self-imposed isolation following the conclusion of World War I.

We hope that the US will continue to play its constructive role in maintaining political and economic stability in the Asia-Pacific through cooperation at all levels. Active participation in world trade and investment will help the US solve its double-deficit problem and to continue playing a leadership role. In this connection, I would like to suggest several areas where active US involvement could help solve its domestic problems and contribute towards a new regional and global order.

First, relations between the US and China must be enhanced. This will provide the US with access to a

market of over one billion consumers and give incentives for China to support US initiatives in constructing a new world order.

Second, resolution of trade disputes between the US and Japan will help reduce the US trade deficit and revitalise the US economy. It should also pave the way for better US-Japanese political cooperation in the Western Pacific.

Third, if the US were to be more receptive to diverse cultural traditions and practices of the rest of the Asia-Pacific region, particularly ASEAN, it would be more successful in this large consumer market. Human rights are becoming part of Asia's vocabulary, but they must be allowed to evolve within an indigenous context. The Asia-Pacific, in general, is in favour of the US playing a leading constructive role. If the US shows more understanding of the cultural values of the region, then some progress can be made towards building a more closely-knit Asia-Pacific community.

After all is said and done, I still strongly believe that with our experience, we Asians will maintain political equilibrium in the region and build on our economic achievements. The key to realising the Pacific Century lies in our collective ability to transfer the successes in our economic development to current and potential dilemmas in the political sphere. But although the pathway to longterm political and economic stability in the Asia-Pacific may be long and arduous, I relish the opportunity to undertake the journey with all of you.

Contrary to Rudyard Kipling, I do not believe that "East is east and west is west, and ne'er the twain shall meet". I am confident that our joint efforts will allow both the eastern and western rims of the Pacific to meet in harmony—two Pacific rims becoming one Pacific community.

Japan

Mori Arrives in Toronto for Trade Talks

*OW1405022993 Tokyo KYODO in English 0138 GMT
14 May 93*

[Text] Toronto, May 13 KYODO—Japan's International Trade and Industry Minister Yoshiro Mori arrived in Toronto on Thursday evening to attend quadrilateral trade talks on Friday, ministry sources said.

The Japanese trade minister and his counterparts from the United States, the European Community and Canada will gather in Toronto for the regular meeting.

Tokyo Decides To Liberalize Service Businesses

*OW1405121993 Tokyo NHK General Television
Network in Japanese 0300 GMT 14 May 93*

[From "NHK News" program]

[Text] In response to trade requests from other nations, the government has decided to liberalize eight types of businesses, including interpretation and aircraft repair, in the service area which has become one of the contentious trade issues at the Uruguay Round. The government plans to announce its decision to liberalize the eight types of service businesses at quadrilateral trade talks to be opened today in Canada with trade ministers from Japan, the United States, the EC, and Canada attending. The eight types of service businesses Japan intends to liberalize include interpretation, translation, designing, foreign language teaching, and aircraft repair. With the government deciding to liberalize the eight types of service businesses, Japan will have liberalized 112 of the 151 types of business in the service area.

Since the United States and the EC have asked Japan to liberalize the financial market and reduce tariffs on leather products, lumber, and paper, Japan is expected to be pressed to make further trade concessions at the quadrilateral trade talks.

Hayashi: Exchange Rate Tensions Cause Yen Fall

*OW1405022793 Tokyo KYODO in English 0201 GMT
14 May 93*

[Text] Tokyo, May 14 KYODO—Japanese Finance Minister Yoshiro Hayashi said Friday the yen's slight fall against the U.S. dollar is due to renewed uncertainties in the European Exchange Rate Mechanism (ERM) and called for stability in the European currency market.

Hayashi told a regular news conference after a morning cabinet meeting that the release of data showing a higher-than-expected rise in the U.S. consumer price index for April also contributed to the rise in the dollar. The dollar opened higher in Tokyo at 112 yen flat, up 0.32 yen from Thursday's close.

Hayashi made the remarks when asked to comment on the yen's weakening against the dollar since the Group of Seven (G-7) major economies agreed to work on stabilizing the foreign exchange market earlier this month in Washington.

Some tensions arose in the European market overnight following devaluations of the Spanish peseta and the Portuguese escudo.

Hayashi also called for the Diet's early passage of a 2.2 trillion yen supplementary budget for the current fiscal year approved by the cabinet Friday morning.

The extra budget partly funds the 13.2 trillion yen economic stimulus package the government announced in April, as well as providing fresh financial aid to Russia and 146 billion yen for tax cuts.

Hayashi said uncertainty remains over the economy despite some talks that it has bottomed out. He ruled out the possibility that the government's additional pump-priming measures will lead to the creation of another speculative economic bubble by excessively stimulating the economy.

He said, however, he expects the nation's business conditions to start picking up early in the latter half of fiscal 1993, which started April 1.

On Friday's convening of the tax commission, an advisory panel to the prime minister, Hayashi said it will discuss the introduction of tax incentives to promote housing and corporate investment as well as tax breaks to ease the burden on families of education costs.

He did not say whether the panel will debate possible cuts in income tax, widely advocated as a way to stimulate the economy.

Officials 'Adamant' Over Construction Issue

*OW1405135893 Tokyo KYODO in English 1314 GMT
14 May 93*

[Text] Tokyo, May 14 KYODO—Visiting top U.S. trade negotiator Ira Wolf said Friday the U.S. Government will impose sanctions if Japan does not further open its construction market to foreign contractors. In talks with officials of the Japanese construction and foreign ministries, Wolf, assistant trade representative, called for bilateral negotiations on eliminating alleged barriers to foreign companies in biddings for Japanese public works projects.

Taking a tough stance to bilateral trade disputes with Japan, President Bill Clinton's government has accused Japan, among other things, of discriminating against U.S. firms in bidding for government public works and threatened to slap sanctions if there is no negotiated settlement within 90 days.

Displeased by the high-handed U.S. trade policy with Japan, Japanese officials were adamant in not backing

down from their earlier stance that Tokyo will not get involved in any negotiations under threat.

Instead, the Japanese Government wants the matter to be dealt with within the framework of regular follow-up talks on bilateral construction agreements made in 1988 and 1991 under which Japan pledged greater foreign access to major projects.

The two sides reaffirmed that they will both work out detailed topics for a proposed negotiating scheme to balance bilateral trade by the Tokyo summit meeting in July of the Group of Seven (G-7) economic powers. The scheme, agreed upon when Prime Minister Kiichi Miyazawa met Clinton in mid-April in Washington, aims to slash the bilateral trade gap, which is in Japan's favor at 49 billion dollars last year.

U.S. officials said they hope the framework will be "result-oriented," indicating the setting of quantity targets for Japanese imports of U.S. products and U.S. investments in Japan. Tokyo denounced the move as a tilt toward managed trade.

Steelmakers Operate Joint Ventures in N. America

OW1405102393 Tokyo KYODO in English 0847 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Two major Japanese steelmakers have launched galvanized steel manufacturing ventures in the United States and Canada to supply products to automakers there, the companies said Friday. The announcements came as Japanese exports of high-quality steel sheets to the U.S. have come to a temporary halt pending a U.S. Administration ruling on dumping charges leveled by U.S. steelmakers.

Kobe Steel Ltd. said Pro-Tec Coating Co., the company's 50-50 venture with the top U.S. steelmaker USX Corp., started operations at Leipsic, Ohio, on Friday. The plant has an annual capacity of 600,000 tons.

The company said products will be supplied to the U.S. "Big Three" automakers and Japanese car manufacturers operating in the U.S.

NKK Corp., the world's top steel pipe maker, said its joint venture with an annual capacity of 400,000 tons of galvanized steel started operations Wednesday [12 May] in Windsor, Ontario, Canada.

The venture, DNN Galvanizing Corp., was incorporated in 1990 with Dofasco Inc. of Canada, and National Steel Corp. of the U.S. National Steel is a subsidiary of a partnership between NKK U.S.A. and NII Capital Corp. of the U.S.

DNN Galvanizing aims to enhance sales on the entire North American market, NKK officials said. Two other Japanese firms, Nippon Steel Corp. and Kawasaki Steel Corp., have already launched similar ventures in the U.S.

Reportage on Cambodian Situation Continues

Muto Instructs Envoy Imagawa

OW1305132093 Tokyo NHK General Television Network in Japanese 1011 GMT 11 May 93

[From the "NHK News" program]

[Text] On 13 May, Foreign Minister Kabuo Muto instructed Japanese Ambassador to Cambodia Yukio Imagawa to influence all four factions in Cambodia, including the Pol Pot faction, to hold the general election peacefully. The foreign minister made the remarks in a phone call.

In the phone call, Foreign Minister Muto told Ambassador Imagawa to contact the Pol Pot faction—which is expressing a growing opposition to the general election scheduled for 23 May—through informal channels to influence the faction so that the general election can be held peacefully. Moreover, the foreign minister told the ambassador to strengthen Japan's diplomatic efforts to promote stability in Cambodia through constant contacts with the other three factions, including the Phnom Penh government.

Yanai Leaves for 'Safety' Talks

OW1305151193 Tokyo KYODO in English 1443 GMT 13 May 93

[Text] Tokyo, May 13 KYODO—Shunji Yanai, head of the government's International Peace Cooperation Headquarters, left for Phnom Penh on Thursday for talks with U.N. officials about the safety of Japanese peacekeepers in Cambodia. Yanai is accompanied by officials of the Foreign Ministry and National Police Agency.

Home Affairs Minister Keiji Murata had asked Yasushi Akashi, chief of the United Nations Transitional Authority in Cambodia, to relocate Japanese police officers to safer areas and tighten arrangements for their security.

A U.N. volunteer and a civilian policeman, both Japanese, were gunned down in Cambodia in April and May, respectively.

Miyazawa Lauds Wellington's Aid

OW1405114493 Tokyo NHK General Television Network in Japanese 1000 GMT 12 May 93

[Excerpts] [passage omitted summarizing news conference called by Prime Minister Miyazawa at 0730 GMT on 12 May to explain government policy on peace-keeping operations in Cambodia] In an interview with NHK a little earlier today, Mr. Yasushi Akashi, the head of the UN Transitional Authority in Cambodia [UNTAC], commented on the statements made by Prime Minister Kiichi Miyazawa at his news conference.

Mr. Akashi said he is very happy that the prime minister has pledged full support to the UNTAC. He said he greatly appreciates the efforts by the prime minister—particularly, the contribution of \$1 million to the UNTAC in order to secure safety measures. He said the UNTAC appreciates it, and will make good use of it. He also said that the U.S. Government has agreed to contribute 6,000 bulletproof vests and safety helmets, and that Australia has contributed three helicopters.

He said the UNTAC, which finally is getting prepared for general elections, views the contributions made by the international community as heart-warming. Mr. Akashi said he very much appreciates this sort of team work.

In the interview, Mr. Akashi admitted that certain areas of Cambodia are dangerous. Particularly in very under-populated areas, he said the UNTAC may not be able to have polling booths, as the areas can be very dangerous. He said he hopes that a review can be made to take in the wish of the Japanese Government [referring to the Japanese Government's request to remove Japanese police officers to safer areas]. But he also said that this is not special preferential treatment for Japanese civilian police officers, and added that the review will be done in line with the pursuit and realization of the UNTAC's objectives as a whole.

Today, Prime Minister Miyazawa also met with the visiting New Zealand premier, Mr. James Bolger, and the two agreed in a meeting that their two countries should continue to work together for the cause of peace in Cambodia. Mr. Bolger said it is very important for the countries concerned to help the UNTAC ensure the success of this month's general elections. He said that support from abroad is needed even after the elections, so that Cambodia can be rebuilt and can achieve political stability.

Mr. Miyazawa spoke highly of New Zealand's contributions to peacekeeping activities in Cambodia. It has sent 96 people to the country.

Meanwhile, Foreign Minister Kabun Muto met with Thai Vice Premier Amnuai, who is currently in Japan on a visit. During the meeting, Mr. Muto urged Thailand to impose tighter restrictions on the illegal exports of lumber and rubies from Cambodia to Thailand. The smuggling is alleged to be a main source of income for the Pol Pot faction. Mr. Amnuai replied that Thailand will continue checking cargoes on borders between the two countries in accordance with a UN resolution. [passage omitted on report dealing with reduction of polling stations in Cambodia]

Bolger: UN Should Stay After Polls

*OW1305133493 Tokyo KYODO in English 1139 GMT
13 May 93*

[Text] Tokyo, May 13 KYODO—New Zealand Prime Minister James Bolger said Thursday that UN peacekeepers should stay in Cambodia after the May 23 to 28 general elections.

Bolger told KYODO News Service in an interview that he believes there is an "ongoing need for UN forces to assist Cambodia" for a period of time after the elections.

"I don't think at this stage, the United Nations should just walk away from its largest effort to bring peace to the people of Cambodia," he said. "The people in Cambodia have suffered enormously and I think we are all trying to assist under the auspices of the UN Security Council."

The UN-led peacekeeping operation there has been "generally successful although difficult in the last few weeks," Bolger said.

"The New Zealand view is that the decision of the UN was right to have people in there to maintain peace as far as possible and we would have to see what happens afterwards. But we shouldn't decide to withdraw our personnel immediately after the elections," he said.

On other issues, Bolger voiced support for Japan's bid for a permanent seat in the UN Security Council, saying the current UN structure which "reflects the world situation in 1944 or 1945" should be "adjusted to reflect the world as it is today." He said that Japan, with its "status as economic superpower," should have a permanent seat when the UN is restructured.

Concerning security in the Asian-Pacific region, Bolger said dialogue between the Association of Southeast Asian Nations (ASEAN) and its partners in the region is successfully dealing with the issue. It may become necessary to develop a "different framework" in future, when "the Asian-Pacific partners become more confident," he said.

Bolger said it is important for countries to share information and to be open and transparent so as to "reduce the threat." He also said that trade between countries is important for stability in the region, called for an early successful conclusion of the Uruguay Round of multilateral trade talks.

Kiuchi Wants Duties Within Law

*OW1305131793 Tokyo KYODO in English 1056 GMT
13 May 93*

[Text] Tokyo, May 13 KYODO—The duties of Japanese civilian police officers stationed in Cambodia should be restricted to the realm of Japan's Peacekeeping Cooperation Law, the head of the National Police Agency said Thursday. Yasumitsu Kiuchi told reporters that observing the law strictly should be the mission of the policemen.

The law stipulates that Japanese police officers provide local policemen in Cambodia instructions and advice on police administration.

Some of the officers, however, have been ordered to engage in activities such as guarding offices of political parties and performing jobs of local police without

carrying arms, clearly surpassing the boundaries of the law, according to reports from Cambodia.

The agency on Monday called for the international peace cooperation headquarters in the prime minister's office to limit the policemen's duties to those stipulated in the law.

On May 4, Haruyuki Takata, one of 75 Japanese police officers serving under the UN initiative, was killed in an ambush by guerrillas. In the wake of the slaying, Japan has asked the UN Transitional Authority in Cambodia (UNTAC) to step up security for peacekeepers in the war-torn country.

Komeito Proposes Mission Halt

OW1405135493 Tokyo KYODO in English 1329 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Japan's No. 2 opposition party Komeito proposed Friday a study to look into halting to Japan's participation in U.N.-sponsored peacekeeping operations in Cambodia in case of danger.

Komeito and another opposition party, the Democratic Socialist Party (DSP), joined the governing Liberal Democratic Party (LDP) last year to enact the peacekeeping cooperation law that enabled Japan to send Self-Defense Forces (SDF) troops abroad to participate in United Nations peacekeeping activities.

Komeito Chairman Koshiro Ishida, speaking at a lecture session in Tokyo, said "frontline officers should be allowed to make a decision to suspend or halt their duties if they face danger." Japan needs to take the problem of safety for Japanese peacekeepers more seriously, Ishida said.

Prime Minister Kiichi Miyazawa has repeatedly declared that Japan will continue its presence in Cambodia despite the slaying of a Japanese U.N. volunteer in April and a civilian police officer in May.

Japan has deployed a 74-member police team and a 600-member engineering team from the Self-Defense Forces to Cambodia. Japan has also sent 41 civilian election monitors to Thailand that are preparing to enter Cambodia to monitor the May 23-28 general elections in the country.

Use of SDF as 'Guards' Opposed

OW1405045893 Tokyo KYODO in English 0355 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Cabinet Minister Junichiro Koizumi said Friday he opposes the government's policy of telling Self-Defense Forces (SDF) personnel in the U.N. peacekeeping mission in Cambodia to guard Japanese civilian policemen and election monitors there.

Koizumi, minister of posts and telecommunications, told a news conference after a cabinet meeting that the

SDF troops were not sent to Cambodia to act as guards, and such use of them had never been discussed by the Diet. He said Japanese peacekeepers, whether SDF personnel or civilian policemen, were not sent to Cambodia on the basis that a state of war existed there, and it was wrong to plan measures on such an assumption.

The use of SDF troops to guard other Japanese working in Cambodia was proposed after a Japanese policeman was killed and four others wounded in an attack in northwest Cambodia on May 4. A Japanese volunteer election supervisor was killed in April.

Shigeru Hatakeyama, chief of the Defense Agency's Defense Policy Bureau, has told the House of Representatives cabinet committee that in principle SDF troops carry arms with them when SDF vehicles carry Japanese election monitors in Cambodia.

Last week Koizumi stirred controversy when he said Japan should consider pulling its peacekeepers out of Cambodia.

Later, chief cabinet secretary Yohei Kono told reporters that SDF personnel would not be asked to "guard" election monitors, but he declined to rule out an escort role.

Asked whether SDF members might travel with Japanese monitors, Kono said it would be "meaningless to respond to a hypothetical question."

UNTAC Rejects Tokyo's Request

OW1405115193 Tokyo KYODO in English 1135 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—The United Nations' peacekeeping mission in Cambodia has rejected a Japanese request to excuse Japanese civilian police officers from tasks not authorized by Japan's peacekeeping law, a senior government official said Friday. The official said Japan is in a dilemma because it does not wish to poison relations with the U.N. Transitional Authority in Cambodia (UNTAC), but it is winning little sympathy for the constraints imposed by its Constitution.

The Constitution bars the use of force to resolve international disputes, and Japanese peacekeepers have been dispatched to Cambodia on condition that they carry out only tasks that do not require force. According to reports, however, some police officers are being asked to guard VIPs and political offices, operations that fall outside the assignment as described in the law.

Jiro Hagi, deputy secretary general of the government's International Peace Cooperation Headquarters, told a parliamentary committee on foreign affairs Friday that Japan petitioned UNTAC last month to relieve police officers of duties not specified in the Peacekeeping Cooperation Law. The senior official, speaking on condition of anonymity, told reporters at a separate meeting that the request fell on deaf ears. "That Dutchman does not listen. He said, 'What in the world did you guys come

here to do? Aren't you here to help with the elections?" The official said. He appeared to be referring to Col. Klaas Roos, the chief commander of UNTAC's civilian police force.

"It is difficult if Japan alone makes such requests. Our relations with the commander may sour," the official said. "But Japan is different from other countries because of its Constitution," he added.

The official noted the UNTAC police commander will determine how to redeploy police officers under a plan to reduce the number of polling stations from 1,800 to 1,400 in a move to reduce security risks. Japan is hopeful that its police officers located in areas considered to be relatively dangerous will be relocated in the process.

Contentious parliamentary debate over whether Japan should withdraw from the U.N. mission has emerged in the wake of last week's slaying of a Japanese police officer in Cambodia. Prime Minister Kiichi Miyazawa has said that Japan will not withdraw its 74-member police contingent or its 600-member Self-Defense Forces engineering corps, despite rising tensions in advance of the May 23-28 general elections.

Miyazawa, Muto Speak at Upper House

OW1405104993 Tokyo NHK General Television Network in Japanese 0300 GMT 14 May 93

[From "NHK News" program]

[Text] The House of Councillors today held an emergency interpellation session on Japan's peacekeeping commitment in Cambodia. Speaking at the session, Prime Minister Miyazawa said that the four factions in Cambodia have not been completely disarmed, and that the situation in that country has not been developing the way the Japanese Government had hoped—but he stressed anew that Japan's mission is to hold elections. During the morning session, five upper house members questioned him.

[Begin Uesugi recording] It is true that the international community did not expect the present situation in Cambodia. If Japanese peacekeepers and the UNTAC [UN Transitional Authority in Cambodia] pull out of that country, its problems will not be resolved and the present disorder there will further increase. Now is the time to hold elections. [end Uesugi recording]

[Begin Kurihara recording] The preconditions for dispatching Japanese peacekeepers and Self-Defense Forces [SDF] personnel to Cambodia have been broken and the government should make a decision as soon as possible on suspending their activities in Cambodia and pulling them out of that country. The government also should realize safety measures for them until they are withdrawn from that country. [end Kurihara recording]

[Begin Koba recording] We have no choice but to be greatly concerned about the fact that the cease-fire agreement may have been broken in some areas. Mr.

Prime Minister, you have said that the Pol Pot faction has announced its intention to adhere to the Paris Peace Accords, and that the five principles for dispatching SDF personnel to Cambodia continue to be met. I believe that the people do not understand your thinking on the need to keep Japanese peacekeepers in Cambodia. [end Koba recording]

The UN PKO [peacekeeping operations] should not rely on a sense of mission or the sacrifice of individuals—it is the basic responsibility of politicians to take measures to enable Japanese peacekeepers to carry out their duties in Cambodia with a sense of pride. [end Terasaki recording]

[Begin Kikunami recording] In view of the five principles for Japan's participation in the PKO, it has become apparent and unquestionable that the dispatch of SDF personnel to Cambodia is unconstitutional and illegal. Pulling SDF personnel out of that country is an urgent matter. The government should make a sweeping review of its policy toward Cambodia. [end Kikunami recording]

In response, Prime Minister Miyazawa said that the disarming of the four factions has not been carried out completely and that the Pol Pot faction is boycotting the elections, adding that the Cambodian situation has not been developing the way the Japanese Government had hoped. The prime minister went on to say as follows:

[Begin Miyazawa recording] In Cambodia, there have been continual battles for the past 13 years—these battles have not resumed. The Khmer Rouge are saying that they are adhering to the Paris peace accords. The Khmer Rouge, assert that the Paris peace accords have not been faithfully observed, and are demanding that the accord be observed and that the Supreme National Council be given more authority. Therefore, the government's view is that the Paris peace accords remain unbroken. [end Miyazawa recording]

Commenting on reports that the UNTAC has returned weapons it confiscated from the four factions at the session, Foreign Minister Muto said that as far as the government knows, only the Ranariddh faction has requested the return of the weapons it surrendered, and that the UNTAC has not come to a decision. In this way, the foreign minister made it clear that as of now, no weapons are being returned to the four factions.

Miyazawa Expresses Concern

OW1405072093 Tokyo KYODO in English 0631 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Prime Minister Kiichi Miyazawa expressed concern Friday at the possibility of increased fighting in Cambodia if weapons collected from three of the factions there are returned.

Miyazawa voiced his concern in reply to questions from six Diet members of the ruling and opposition parties in a House of Councillors plenary session focusing on

Cambodia. "I strongly hope each of the Cambodian factions will participate in an election and reconstruct Cambodia," he said.

The United Nations Transitional Authority in Cambodia (UNTAC) is reportedly considering returning weapons to the Phnom Penh government and two factions led by the son of Prince Norodom Sihanouk and Son Sann. Miyazawa said the government has not been notified whether UNTAC has decided to give weapons back to the three factions as a bid to prevent possible all-out attacks by the other faction, the Khmer Rouge, which had refused to hand over any weapons.

UNTAC began to disarm the three factions in the spring of last year, as provided for by the 1991 Paris peace accord, which ended a 13-year civil war.

The Khmer Rouge signed the accord, but refuses to disarm or take part in elections slated for May 23 to 28, saying there are still Vietnamese forces in Cambodia.

Miyazawa reiterated the government's position that Japan will not unilaterally pull out its military forces or civilian personnel from UNTAC. He said peace in Cambodia has been fragile since the signing of the Paris agreement.

The upper house plenary session on the Cambodian issue followed a session on the same topic Thursday in the House of Representatives. The debate follows the killing of a Japanese volunteer election worker in April and a civilian police officer in early May.

Mitsuzuka Asks U.S. for Help

OW1405092193 Tokyo KYODO in English 0756 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Hiroshi Mitsuzuka, chairman of the Policy Affairs Research Council of the Liberal Democratic Party, asked a high-ranking U.S. Defense Department official Friday for further American assistance to ensure the success of the upcoming Cambodian elections. LDP officials said Mitsuzuka made the request in a meeting with visiting U.S. Deputy Secretary of Defense William Perry.

Perry told Mitsuzuka the United States is hoping the elections will bring stability to Cambodia, the officials said.

During the meeting at the Diet, Mitsuzuka also reaffirmed Japan's host nation support for the American forces stationed in Japan.

The Cambodian elections are set for May 23-28.

First SDF Peacekeepers Arrive in Mozambique

OW1305125393 Tokyo KYODO in English 0927 GMT 13 May 93

[Text] Maputo, May 13 KYODO—Six Japanese Self-Defense Forces (SDF) officers arrived here Thursday to

serve as an advance party for an SDF transportation corps scheduled to join United Nations peacekeeping operations in Mozambique. The mission is the second U.N. peacekeeping operation for the SDF, following the dispatch of some 600 SDF engineers to Cambodia last October.

Participation in U.N. peacekeeping operations has become a sensitive issue in Japan since two Japanese nationals—a U.N. volunteer and a civilian policeman on peacekeeping operations—were killed in Cambodia in April and May.

Japan enacted a law last year allowing the SDF to join U.N. peacekeeping operations.

The advance team will later be joined by 42 other corps members, who are scheduled to leave Japan on Saturday [15 May] and arrive in Mozambique on Monday.

U.N. Officials said the 48-member SDF team will be in charge of transport control operations in the central and southern parts of the war-ravaged southeastern African country. The officials said the SDF group will set up its headquarters in the city, and will operate in the nearby town of Matola and the central coastal city of Beir.

In addition to the main part of the corps, five SDF officers will be assigned separately to serve as staff members at the U.N. Command in Mozambique. The five will arrive in the country next week.

The U.N. plans to deploy about 7,500 peacekeepers in the country at least until general elections can be held. The elections are expected to take place this fall at the earliest.

Additional SDF Officers En Route

OW1405091993 Tokyo KYODO in English 0732 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Three Japanese Self-Defense Forces [SDF] officers left Japan Friday for Mozambique to serve as staff members to the United Nations peacekeeping headquarters in the African country. They are scheduled to arrive in the capital of Maputo Sunday [16 May] via Amsterdam, officials said.

Two SDF officers will leave for Mozambique on Saturday.

The five SDF personnel have been assigned to duties at the U.N. command as individuals because duties such as drawing up plans for the participation of infantry and other units are currently banned under Japan's peacekeeping cooperation law.

Separately, six Japanese SDF personnel arrived in Maputo Thursday as an advance team for the 48-member transportation corps. The advance team will later be joined by the remaining 42 other corps members, who are scheduled to leave Japan on Saturday and arrive in Mozambique on Monday.

The unit will engage in transport control operations in the East African country, where the U.N. has just started peacekeeping operations to bring an end to the lengthy civil war.

The SDF contingent will stay in Mozambique until November 30. They are Japan's second peacekeeping mission in the post-war era, following the dispatch of some 600 SDF engineers to Cambodia last October.

The Peacekeeping Cooperation Law, enacted last year, cleared the way for Japan to send peacekeepers overseas.

U.S. Offers To Help in Peacekeeper Transport

OW1405114993 Tokyo KYODO in English 1123 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Defense Agency Chief Toshio Nakayama said Friday the United States has offered to cooperate on transportation for Japanese peacekeepers participating in U.N.-led peacekeeping operations. The offer came when Nakayama visited Washington earlier this month. Nakayama told the House of Representatives Security Committee.

Nakayama said that U.S. cooperation might be necessary to ensure the safety of Japanese Self-Defense Forces (SDF) troops in Mozambique in case something unexpected happens there. But he added that he wants to study the issue.

Nakayama was responding to questions by Tsuneharu Sato of the Social Democratic Party, the main opposition group.

The SDF, which does not own long-range or large transport planes, chartered earlier this week Russian-made Ilyushin-76 and Ukraine-made Antonov-124 cargo aircraft to transport supplies for the Japanese peacekeeping operation in Mozambique.

Touching on a U.S.-proposed joint training program for peacekeeping personnel, Shigeru Hatakeyama, head of the Defense Agency's Bureau of Defense Policy, replied that it would not be a big problem. He said personnel from both countries are currently receiving intensive training together at centers in northern Europe so it would not be a problem if Japan conducts joint training with the U.S.

Japan is to send a 48-member transport corps to Mozambique to engage in transportation control operations in the East African country until November 30.

An advance team of six SDF personnel arrived in Maputo on Thursday. They are to be joined by the remaining members of the corps on Monday.

The SDF contingent is Japan's second peacekeeping mission in the postwar era, following the dispatch of some 600 SDF engineers to Cambodia last October. Japan enacted a Peacekeeping Cooperation Law last year.

Group Leaves for Visa-Free Visit to Kunashiri

OW1405024193 Tokyo KYODO in English 0015 GMT 14 May 93

[Text] Sapporo, May 14 KYODO—A group of 47 Japanese left Japan's easternmost port of Nemuro on Friday morning for a visa-free visit to Kunashiri, one of four disputed islands now held by Russia. The Japanese group, making the first trip of the second year that the visa-free mutual visits between Hokkaido and the so-called "northern territories" have been offered, was scheduled to arrive at the island Friday afternoon.

During their three-day stay on the island, the group's activities will include home stays, a discussion meeting, and inspection tours, officials said.

The visa-free visit program started last April, and last year as many as 270 Japanese people—including many former residents of the northern territories—visited the disputed islands. In return, 270 Russian islanders visited Japan's northernmost main island of Hokkaido. In the second year of the program, some 420 Japanese and the same number of Russian islanders are expected to make mutual visits, the officials said.

The first visa-free visit of the year by Russians already took place on May 22 to 26 when a group of 46 islanders visited Hokkaido.

Radioactive Battery 'Sank' Off Sakhalin in 1987

OW1405142893 Tokyo KYODO in English 1359 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—A Russian helicopter crashed and sank in the waters off Sakhalin Island in 1987, carrying with it a battery with more than 20 times the amount of radiation the former Soviet Union dumped in the Sea of Japan, the Science and Technology Agency said Friday. So far there have been no radiation leaks, officials said.

The Russian Navy confirmed the sinking at a Japan-Russia joint working group meeting which was held Tuesday and Wednesday in Moscow to discuss the Soviet disposal of nuclear wastes in the sea, they said.

The officials quoted the Russian side as saying the former Soviet Navy helicopter was transporting an atomic energy battery using Strontium 90—a highly radioactive substance—when it crashed in the waters east of Sakhalin Island on August 20, 1987.

According to the Maritime Safety Agency, the helicopter crashed about 40 kilometers off the coast and settled at a depth of about 160 to 200 meters.

Strontium 90 is a heavy radioactive isotope with a half life of 25 years and is found in fallout from nuclear explosions. It is particularly hazardous because it can be assimilated into the body and deposited in the bones of both human beings and animals.

The science and technology agency plans to study what could happen if the Strontium 90 begins leaking from the battery, the officials said. It is also considering a joint investigation of the Sea of Japan with Russia, they said.

A Russian Government report said Russia and the former Soviet Union dumped nuclear waste into the Sea of Japan, the Sea of Okhotsk and an area southeast of Kamchatka from late 1959 to 1992. Two nuclear reactors also were discarded in the Sea of Japan, the report said.

A Japanese national daily reported earlier this week that the former Soviet Union dumped more than 30,000 tons of lethal mustard gas in the Sea of Japan over several years after World War II.

Possible Smuggling of Chinese Citizens Viewed

*OW1205095993 Naha OKINAWA TIMES in Japanese
9 May 93 Morning Edition p 22*

[“Sunday Report” by Tsuyoshi Hamamoto of the Yaeyama bureau]

[Text] Ten days have passed since its was discovered that a large number of people were smuggled into Ishigaki Island. It was a very daring act; they used hotels, rental cars and busses. On 7 May, Yaeyama police searched the apartment (in Ishigaki City) of a male Hong Kong Chinese for suspected violation of the Immigration Control Act and Refugee Acknowledgement Act. The police think that he is the one who guided the stowaways in Ishigaki. According to the results of investigations so far, it is possible that more than 100 people have been smuggled into Japan through Ishigaki since March. Were some local residents involved in the smuggling? Citizens of Ishigaki have mixed feelings and are intently watching police investigations.

The Hong Kong Chinese named “Zhou Shengping” had moved into the apartment, which was recently searched by Yaeyama police. It is highly likely that preparations for the smuggling had been made since that time, at least.

A white car was seen near the place where a group of Chinese stayed. It is also true that “Zhou” arranged to obtain the white car with the help of a local resident.

A life vest, on which the name of the ship “Monte Verdi” was painted, was found on the balcony of a room in the apartment. This ship made a port call at Ishigaki Port on 3 August last year to transport cigarettes. The ship was sold in March in Hong Kong. However, it is not clear whether it was used for the recent smuggling.

The recent mass smuggling was brought to light when two dead women and a boat were found on Tozato beach in Ishigaki City on 28 April. Since the dead women had Chinese money, and also because police received no search request for missing persons, the authorities began investigations with a strong suspicion that it was a smuggling case.

As investigations progressed, it became known that 30 people of Chinese appearance used an airplane, hotel and rental cars. However, there is no conclusive evidence to prove that the Chinese who used the airplane, hotel and rental cars were involved in the smuggling. So far, many articles—including passports, clothes and shoes—were discovered at the beach where the dead women were found. Moreover, several local residents saw a group of people of Chinese appearance between 27 April and the morning of 29 April.

Prior to that, an employee of a Hong Kong tourist company visited a tourist agency in the city on 24 April and purchased hotel accommodation vouchers for 20 people. On 26 April, a male of Singaporean nationality checked into the hotel under the name of “Qiu,” and received room keys for 20 people.

According to a hotel employee, only two or three rooms were used on 26 April but all the rooms were occupied on 27 April. On 29 April, some 20 people boarded a chartered bus and left the hotel for the airport. Reportedly, scattered instant food and price tags were found in the rooms after they left.

On 26 April, six men of Chinese appearance rented three cars from three car rental companies in the city. Of the six, a man named “Chen” was seen distributing air tickets at the airport. He had also been seen guiding a group of people, believed to be stowaways, at the hotel.

Reservations were made on 28 April to charter two buses. The bus which left the hotel for the airport on 29 April was one of the two buses. A reservation for one of the buses was canceled at noon on 29 April, immediately before its scheduled departure for the airport. Since ticket reservations for 25 people for an afternoon flight to Naha were also canceled at the airport on 29 April, it is possible that some of the people who tried to smuggle themselves into this country could not land.

A group of 60 people of Chinese appearance left for Naha by flight No. 2 on 29 April.

Compared to the western shore of Ishigaki Island, ships of the Ishigaki Maritime Safety Department and others make less frequent patrols on the eastern shore, where the stowaways landed. It is said that patrols on the eastern shore are comparatively lax. If the people who guided the stowaways knew this, we must say they made a very elaborate plan.

Muto Seeks More IMF Assistance for Vietnam

*OW1205142993 Tokyo KYODO in English 1301 GMT
12 May 93*

[Text] Tokyo, May 12 KYODO—Foreign Minister Kabun Muto voiced hope Wednesday that the International Monetary Fund (IMF) will soon extend maximum assistance to Vietnam to help its efforts at economic reconstruction, Foreign Ministry officials said.

Officials said Muto expressed Japan's support for Vietnam in talks with IMF Managing Director Michel Camdessus. He arrived in Tokyo earlier in the day for a three-day visit and is scheduled to meet Prime Minister Kiichi Miyazawa on Thursday.

At last month's IMF interim committee meeting in Washington, Japan was disappointed that the United States forced a postponement of discussion on restoring credit relations between Vietnam and the IMF until July 15.

Japan and France have been trying to assemble a 140 million dollar package to enable Vietnam to clear its arrears to the IMF, thus making it eligible for loans from the fund and other international organizations.

Washington has opposed IMF loans for Vietnam until Congress is satisfied that Hanoi has done all it can to account for American soldiers taken prisoner or missing in action during the Vietnam war.

Officials said Muto also voiced Japan's desire to see the IMF play a significant role in the reconstruction of Cambodia after general elections set to begin on May 23.

Muto told the IMF head that Asian countries should become able to draw upon a pool of funds called the systemic transformation facility, which was recently approved by the IMF. The facility is aimed at helping countries that are in the throes of switching to a free market system.

Camdessus was quoted as saying that countries such as Mongolia, as well as those in Indochina, could become eligible to benefit from the facility.

Muto is said to have stressed that the external needs of developing countries should not be forgotten in the rush to help the former Soviet republics and Eastern Europe.

Officials said Muto and Camdessus agreed on the need to resist the emerging trend of resorting to managed trade practices.

Tokyo Decides To Extend Insurance to Brazil

*OW1305122993 Tokyo KYODO in English 0900 GMT
13 May 93*

[Text] Tokyo, May 13 KYODO—Japan will extend a 1 billion dollar line of trade insurance to Brazil, the first trade insurance to that country since January 1990, Japan's trade minister said Thursday. International Trade and Industry Minister Yoshiro Mori unveiled the decision when he met visiting Brazilian Foreign Minister Fernando Henrique Cardoso, ministry officials said.

Cardoso thanked Mori for the resumption of trade insurance to his country and noted that it should help promote Japanese exports and investment, they said.

Japan suspended trade insurance to Brazil in January 1990 because Brazil stopped debt payments, citing

severe economic conditions of the 1980s. Brazil repaid 77.6 billion yen to Japan in late March, but still owes nearly 320 billion yen.

SDP Policy Outline Approves SDF's Legality

*OW1305125693 Tokyo KYODO in English 1122 GMT
13 May 93*

[Text] Tokyo, May 13 KYODO—A Social Democratic Party [of Japan, SDPJ] (SDP) committee on Thursday unveiled a draft outline of its new platform that conditionally recognizes the Self-Defense Forces as constitutional and removes socialism as a party tenet.

The draft of the outline, dubbed the "1993 declaration," was submitted to the decision-making committee of party executives led by SDP chairman Sadao Yamahana for approval. The committee will convene on June 3.

The draft is subject to a vote at a national convention of SDP regional deputies expected later this year. The party leadership needs to muster support from two-thirds of the deputies to secure a formal adoption of the outline.

The draft urges the No. 1 opposition party to declare "farewell to socialism," saying, "the collapse of socialist regimes in the Soviet Union and East Europe showed defects in such socialist methods as a one-party monopoly on power and a centrally-planned economy."

The draft calls for the party to "tolerate a minimum military power for self-defense and the Japan-U.S. Security Treaty until a system of universal security is established" under the United Nations.

However, it calls for a whittling down of the SDF and watering down the military character of the treaty with the United States "so that neighboring nations can become convinced that Japan does not have any offensive capability and intentions."

The draft sticks to the party's long-time constitutional interpretation that the SDF's current military capability "exceeds the level of power necessary for self-defense." It calls for "creating an unarmed Japan in the future by splitting up the SDF into a national land guard troop and a civilian international peacekeeping corps."

The draft would ban Japan from maintaining military equipment capable of crossing seas to attack other nations.

It says the party should back UN-led nonmilitary efforts to resolve regional conflicts, such as economic blockades and peacekeeping operations.

It calls for creation of a civilian international peacekeeping corps separate from the SDF whose duties would mostly comprise rescue efforts in the event of disasters abroad.

SDF personnel would not be allowed to go overseas to join UN peacekeeping operations, the draft says.

On nuclear power, the draft states the SDP should approve nuclear power plants "as a transitional energy until an alternative energy source is established."

It stops short of clearly stating whether the party should approve of replacing obsolete nuclear reactors with new ones.

SDP Secretary General Hirotaka Akamatsu, a chief architect of the outline, told reporters it is "designed to demonstrate our party's willingness and ability" to govern.

On the SDP's stated goal to form a coalition government with some other opposition parties, he said the draft will shorten the distance between them and "enable us to proceed with confidence and unity."

The draft defines the desired character of the SDP as "a political party for the public which is based on new social democracy."

It says the SDP "should try to create a coalition government by linking up not only with social democratic forces but also conservative liberals."

The draft also states that the SDP should "approve of the Japan-South Korea Basic Relations Treaty," a 1965 pact establishing diplomatic relations in which Japan recognized South Korea as the legitimate government of the Korean peninsula. The SDP has long opposed the treaty for ignoring the North Korean government.

Hata Not To Form New Party, Seeks Reforms

OW1205141293 Tokyo KYODO in English 1046 GMT 12 May 93

[Text] Tokyo, May 12 KYODO—Former Finance Minister Tsutomu Hata brushed aside suggestions Wednesday he would soon launch a new party, saying it would not help carry out effective political reform.

Hata, the head of a new faction in the ruling Liberal Democratic Party (LDP), told a press conference at the National Press Club that reforming the electoral system is essential to change Japan's politics. "We have to accomplish true, systematic reforms," he said. "Unless we do that, this country's politics will not change."

He said splitting the LDP now would not bring such reforms and that he should first work on achieving them from within the LDP. But Hata said he may consider forming a new party if necessary after carrying out the reforms.

In December, Hata and Ichiro Ozawa, former LDP secretary general, led 44 LDP members to break away from the party's largest faction founded by former Prime Minister Noboru Takeshita. Former LDP Secretary General Keizo Obuchi leads the remaining 62-member faction.

Hata indicated that compromises by the ruling and opposition parties are necessary to carry out electoral

reform for the House of Representatives because they all agree the existing system of medium-sized constituencies should be revised. "The parties have finally begun to look at the merits and demerits of each proposal (on electoral reform)," he said, and now is the best time for implementation. He said the parties should study each of the proposals and make improvements to come up with the best system.

The LDP has proposed replacing all multiseat constituencies with single-seat electorates.

A joint proposal by the Social Democratic Party and Komeito calls for dividing the nation into 12 blocs and 200 single-seat constituencies. It seeks election of 200 legislators from single-seat electorates and the remaining 300 through a proportional system.

The Democratic Socialist Party has proposed voting for legislators in a proportional representation system based on prefectures.

A private council grouping industrialists, academics and journalists proposed in April introducing both single-seat and proportional representation systems.

Hata said through attending various international conferences, he felt the world has great expectations of Japan, but because of its politics, Tokyo cannot meet such expectations.

The problems in Japan's politics include the large sums of money required, the high turnover of cabinet ministers and that there are no changes of power, he said. "It is time to seriously consider what we should do," Hata said.

Kajiyama Interviewed on Political Reform Debate

OW1305064893 Tokyo NHK General Television Network in Japanese 1018 GMT 12 May 93

[Interview with Seiroku Kajiyama, secretary general of the Liberal Democratic Party, by NHK anchorman Yoshiaki Kawabata; place and date not given; from the "NHK News" program—recorded]

[Text] The House of Representatives resumed deliberations on political reform this week, but there is still a gap among the Liberal Democratic Party's [LDP], Komeito's, and the Social Democratic Party of Japan's plans for electoral system reform. It is still unknown whether the LDP and opposition parties will be able to reach a compromise. There are only about 40 days left before the current Diet session ends on 20 June. I asked LDP Secretary General Seiroku Kajiyama, a key person in political reform, how he will tackle political reform.

[Kawabata] Mr. Kajiyama, recently you have been saying that we should not hurry these reforms, and that we should avoid hasty actions. What are your real thoughts behind these statements?

[Kajiyama] Once we change the electoral system, we cannot change it again three or five years later. It is important for us to establish a system that can work for 20 or 30 years. If the LDP compromises with opposition parties without in-depth discussion and without any principles, that just proves the LDP is irresponsible toward future politics. The LDP has to assume responsibility as the ruling party.

[Kawabata] Do you think the Diet has not fully discussed political reform?

[Kajiyama] That is correct. The Diet has just begun the discussions, but still only Diet members are discussing political reform. This issue has to be discussed at hearings in Tokyo, as well as in other parts of Japan, to listen to the voice of the people. Public opinion should be taken into consideration in finalizing the plan. I think that is desirable and will certainly happen.

[Kawabata] When you visited South Korea last month, you held a news conference, during which you expressed a firm determination to achieve political reform. But now you have somewhat softened your tone.

[Kajiyama] No, I have not softened my tone. As far as political reform is concerned, I feel that we are, in a way, being pushed to the edge of the cliff. In other words, discussions are taking place, and yet we do not really have a solution. I feel that pressure is being applied, urging us to make a decision against our will and without principles. We would like to be responsible and make the final decision without being pushed to the edge. The system of reform will have to be something that we can be proud of in front of people in the future. That is what I have been indicating in my recent statements. The recent discussion seems to be being promoted without taking into consideration the fact that we have the House of Councillors, too. I did not mean to delay political reform discussions. What I have said also represents the call by other LDP members. We are saying that proportional representation can be considered as a part of the current bicameral system. We are just proposing a reform plan that is easy to comprehend, and we would like to ask for public understanding.

[Kawabata] Frankly speaking, do you think you can enact political reform bills during the current Diet session?

[Kajiyama] I think we should.

[Kawabata] The current session ends on 20 June, within a month or so. Do you think you have enough time?

[Kajiyama] Because the session has just begun, I am not sure whether we have enough time. If the ruling and opposition parties can come to a certain kind of agreement by the end of this month, then I think things will be easily handled. If more time is needed to reach an agreement, then we may have to think about extending the current session.

[Kawabata] Some people are talking about dissolving the lower house.

[Kajiyama] We have very difficult issues at hand, including the recession and international contributions. One argument may be that if we fail to achieve political reform, the house should be dissolved. If we can resolve the issues related to international contributions and the recession by dissolving the house, then we will welcome the dissolution. But that will not happen. I am not in a position to decide on the dissolution since I am not the prime minister, who has right to dissolve the lower house; however, I do not think about the dissolution of the house at all.

Fair Trade Commission Investigates Bid-Rigging

*OW1305015993 Tokyo KYODO in English 0056 GMT
13 May 93*

[Text] Kofu, May 13 KYODO—The Fair Trade Commission (FTC) on Thursday raided the offices of a construction industry group and some of its member firms in Kofu, Yamanashi Prefecture, as part of a bid-rigging investigation.

Trust-busters from the FTC searched the offices of the Yamanashi Prefectural Association of Construction Contractors and member companies which are accused of channeling under-the-table political donations to former ruling party power broker Shin Kanemaru. FTC sources said the construction industry group and some of its members have long engaged in bid-rigging in connection with the prefectural government's public works projects.

About 600 construction companies belong to the Yamanashi Construction Industry Association.

Bid-rigging is one of key trade complaints from the United States and other countries which say such practices have denied them fair access to the Japanese construction industry.

Thursday's raids followed allegations that the Yamanashi construction industry was one of main sources of political contributions to Kanemaru, former vice president of the Liberal Democratic Party. Kanemaru, 78, has been indicted on tax evasion charges. His trial is due to open in July.

In a related development, the Construction Ministry is expected to ask Japan's major general contractors next week about their alleged illegal political donations to Kanemaru, newspapers reported in their Thursday morning editions. The ministry checked seven construction industry groups last month.

EPA Sees Approaching Economic 'Recovery'*OW1405102493 Tokyo NHK General Television Network in Japanese 0300 GMT 12 May 93*

[Text] According to the monthly economic report for May issued by the Economic Planning Agency [EPA] today, while the economy as a whole is still sluggish, certain signs of a recovery have emerged, and positive indicators have increased in number.

According to the report given by EPA Director General Funada to the cabinet meeting today, the Japanese economy is characterized by continued sluggishness in the areas of personal consumption and corporate capital investment; and in terms of employment, the effective job opening-to-applicant ratio remains at a low level, reflecting sluggish corporate productivity.

On the other hand, in the mining and industrial sectors, shipments of automobiles, home electric appliances and semiconductors continue to increase, while inventories are decreasing. Public investment remains lively, and moves toward a recovery continue in housing construction.

The monthly economic report still uses the prudent expression that basically, the Japanese economy is in an adjustment phase, and that it continues to remain sluggish. However, it replaces the expression used last month that "positive signs can be seen in certain areas" to "signs pointing to a recovery have emerged." It adopts the position that there are increasing signs pointing to an economic recovery.

In this connection, EPA Director General Funada stated at a news conference held after the cabinet meeting that positive statistics have increased considerably, and that he personally feels that an official verdict can be issued in the not-so-distant future. He indicated that there is a possibility that the government might be able to announce officially in June that the economy has bottomed out.

IMF's Camdessus on Tokyo's Economic Growth*OW1305124993 Tokyo KYODO in English 1007 GMT 13 May 93*

[Text] Tokyo, May 13 KYODO—A top official of the International Monetary Fund (IMF) said Thursday he believes that Japan can achieve a real economic growth of about 3 percent this fiscal year. But Michel Camdessus, the IMF's managing director, said it depends on early implementation of the pump-priming package adopted last month.

He told a news conference that with the "timely, sizable enough and certainly well tailored" 13.2 trillion yen stimulus package, "I am confident Japan can now overcome its recession and recover good growth, provided this program is speedily implemented."

The Japanese Government hopes to boost the gross national product by 3.3 percent in the current fiscal year that began on April 1.

On the global economy, Camdessus said major industrialized nations must work to avoid downside risks as well as regaining confidence. He said developing nations are in a much stronger position than in the 1980s, but there is a "mixed picture" in countries undergoing systemic transformations.

Describing the IMF assistance to Russia to help it overcome its difficulties as the "biggest challenge" since the fund's creation, Camdessus called for more financial support from global economies and greater efforts by the Russian people for economic reforms.

He hoped that the IMF and Russia will soon agree on conditions for disbursement of the newly created systemic transformation facility (STF) to pave the way for upper credit tranches, known as stand-by arrangements (SBA).

Institute on Growth Possibilities for Economy*OW1405092093 Tokyo KYODO in English 0758 GMT 14 May 93*

[Text] Tokyo, May 14 KYODO—Japan's economy is likely to grow by an upwardly revised 2.0 percent in the current fiscal year thanks to the latest pump-priming package and a possible 1 trillion yen income tax reduction, a leading think tank said Friday.

Japan Research Institute, affiliated with Sumitomo Bank, in its revised outlook for fiscal 1993 projects growth of gross national product (GNP) will begin to pick up after the July-September quarter although falling far short of the government target of 3.3 percent for the year.

Initially, the institution forecast this fiscal year's growth rate at 1.7 percent. It said the yen's sharp advance against the dollar will pull down the GNP by 0.6 percentage point, as the dollar is projected to average 115 yen this fiscal year, down 10 yen from fiscal 1992.

Toshiaki Kakimoto, an adviser to the institute, stressed, however, that "economic conditions" and "business sentiment" ought to be defined separately. He said the economy is expected to show some recovery fairly soon, boosted by the government's enhanced public works investments, but business sentiment will probably not recuperate until the latter half of fiscal 1994.

According to Kakimoto, history shows that business sentiment will not begin to improve until the ratio of pretax profit to total sales improves to around 2.5 percent, in addition to a well-balanced expansion of the economy.

The institute attributes the delay of revival in private sector demand to lower wage increases and softer labor demand, as companies proceed with restructuring.

leading to restraint on consumption. It also predicts corporate profitability will remain sluggish, with high fixed costs and moderate sales, while capital spending stays weak.

Consumption and private plant and equipment spending account for the bulk of Japan's GNP.

Kakimoto said the institute took into account an income tax reduction of at least 1 trillion yen during the current fiscal year since that would be needed to spur consumption.

The institute forecasts Japan's current account surplus in fiscal 1993 will jump to 144 billion dollars, and the trade surplus will grow to 156 billion dollars—both record highs—largely ballooned by the effects of the yen's appreciation.

In fiscal 1992, the current account surplus hit 126.1 billion dollars and the trade surplus swelled to 136.1 billion dollars, according to figures released by the Ministry of Finance.

Tanahashi Says Prime Rate Hike Not Desirable

*OW1305074393 Tokyo KYODO in English 0719 GMT
13 May 93*

[Text] Tokyo, May 13 KYODO—A senior Trade Ministry official said Thursday that an increase of the long-term prime rate is undesirable. Yuji Tanahashi, vice minister of international trade and industry, told reporters the ministry hopes any proposed hike will be delayed.

Tanahashi's remarks stem from growing speculation that the nation's three long-term credit banks may soon boost the preferential interest rate. An increase in the rate would have a serious impact on the domestic economy, he said.

Farm Ministry Seeks Additional Appropriations

*OW1305094293 Tokyo KYODO in English 0831 GMT
13 May 93*

[Text] Tokyo, May 13 KYODO—The Farm Ministry announced a plan Thursday to seek additional appropriations of 446.7 billion yen for improving the living environment in rural communities under the fiscal 1993 supplementary budget. Officials of the Agriculture, Forestry and Fisheries Ministry said the appropriations are intended to improve the "social capital" in Japan under the government's pump-priming measures.

The plan calls for extra public works spending of 344.5 billion yen, which includes 55 billion yen for improvement of sewage facilities in rural communities. With the extra appropriations, the Farm Ministry's fiscal 1993 budget would amount to 3,814.7 billion yen, the officials said.

Government Sends Supplementary Budget to Diet

*OW1405021693 Tokyo KYODO in English 0113 GMT
14 May 93*

[Text] Tokyo, May 14 KYODO—The government approved a supplementary budget of 2.19 trillion yen for fiscal 1993 Friday and submitted a bill to the Diet in hopes of getting the measure passed by the end of the month, government officials said.

The extra budget, drafted by the Finance Ministry and approved at a cabinet meeting Friday morning, is designed to help fund a 13.2 trillion yen economic stimulus package unveiled in April, the largest-ever such package. If approved by the Diet, the supplementary budget will boost the year's general account budget, which started April 1, by 2,188 billion yen to 74,543.5 billion yen.

It will provide an additional 2,221.8 billion yen for public works and other government projects, 100.5 billion yen in assistance to small companies, and 41.1 billion yen in aid to Russia. It also includes 146 billion yen in various tax breaks.

The government plans to obtain new funds for the budget increase through the issuance of 2,246 billion yen worth of construction bonds and by selling 62.5 billion yen worth of coins marking the marriage on June 9 of Crown Prince Naruhito to former career diplomat Masako Owada.

The government also plans to reduce the reserves in the original budget by 200 billion yen.

The additional issuance of construction bonds will jack up the total amount of such debts in fiscal 1993 to 10.38 trillion yen, the highest figure on record, raising the share of the bonds in the government's overall revenue to 13.9 percent.

The so-called fiscal investment and loans program, which is outside the general-account budget, will be boosted by 3,156.7 billion yen, mainly to expand lendings by such government financial organizations as the housing loan corporation and the small business finance corporation.

Budget Includes Funds for Telecommunications

*OW1405024393 Tokyo KYODO in English 0207 GMT
14 May 93*

[Text] Tokyo, May 14 KYODO—The fiscal 1993 supplementary budget approved by the Japanese Government Friday includes a 2 billion yen subsidy for a pilot plan to develop an advanced telecommunications network, officials at the Posts and Telecommunications Ministry said. The plan is being pushed by the government as part of the program to enhance social infrastructure.

It would involve construction of a communication network using next-generation optical fiber among several

hundred households in a 15,000-hectare area in the western prefectures of Kyoto, Osaka, and Nara.

The government aims to test and develop advanced communication technologies, such as those used to send audio-visual information and systems for conducting meetings using such devices, the officials said.

They said the total cost of the project is estimated to be about 5 billion yen. Of the total, the private sector is expected to contribute 3 billion yen for the project, they added.

Commission Modifies Call for Income Tax Cut

OW1405114393 Tokyo KYODO in English 1017 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—Supporters of an immediate income tax reduction have toned down calls on the need for such measures in the wake of signs that the nation's economy may be crawling out of the current recession, panel chairman Kan Kato said Friday.

Members of the Tax Commission, an advisory body to the prime minister, however, said a review of Japan's tax system from a medium-term perspective is needed, he said. "If we were to consider cutting income taxes (in the future), we must take into account the balance of duties imposed on income, consumption and assets," Kato told a press conference.

He said the commission reached a consensus Friday on the need to go ahead with debates on a drastic revision of the tax system, but did not go into detail.

Kato said participants also called for looking into ways to streamline expenditures, including rationalization of public works investments, while reviewing the overall tax system.

Apart from arguments that an income tax cut is necessary to stimulate consumption, the issue has been debated in connection with the imbalance of duties.

Currently, tax revenues from individuals making an annual income of around 10 million yen, which only comprises about 5 percent of the whole, account for roughly 40 percent of taxes collected from individuals.

Kato said modifying the grouping of individuals, which is currently divided into five levels according to income, is one of the issues that must be studied.

Kato said the issue does not need to be linked to discussions that the consumption tax, which stands at 3 percent, may have to be raised to make up for a possible income tax reduction. "I don't know about a 5 trillion yen income tax cut, but if it's around 2 trillion yen, it can somehow be done without raising the consumption tax, or floating deficit-financing bonds," Kato said.

The commission Friday discussed tax incentives on housing and corporate investments as well as tax exemption of educational costs that was included in the government's 13.2 trillion yen pump-priming package announced in April.

White Paper Reports 1992 Figures for Tourism

OW1405022093 Tokyo KYODO in English 0117 GMT 14 May 93

[Text] Tokyo, May 14 KYODO—An all-time high number of Japanese tourists spent a record 35.4 billion dollars on trips abroad in 1992, according to a government White Paper released Friday. The number of travelers, 11 million, was 1.16 million higher than it was in 1991, when overseas travel declined sharply due to the Persian Gulf War.

Overseas tourism rose from January to August, but fell from September until the end of the year in a decline the White Paper attributed to the slumping economy.

The record 35.4 billion dollars spent by Japanese tourists in foreign countries was countered by an all-time high 30.5 billion dollars that foreign tourists spent in Japan. A management and coordination agency official analyzing the trends said the government is not unhappy about Japan's deficit concerning overseas travel expenses, "since it contributes to balancing our overall trade surplus."

Women in their 20s were the most active travelers, with about 1.97 million women in that age range accounting for 40 percent of all female tourists who traveled abroad last year.

The keenest travelers among men were those in their 40s, who numbered 1.72 million men and made up 25 percent of all male travelers. Overall, male tourists still outnumbered females, but their share fell to 58.3 percent in 1992 after a continuous decline over the last years.

The most favored destinations were the United States with 3.77 million visitors, followed by South Korea with 1.4 million, and Hong Kong with 1.32 million.

Among visitors to Japan, the largest number was 860,000 from neighboring South Korea, followed by the approximately 720,000 from Taiwan and 560,000 tourists from the U.S.

The paper said there was a conspicuous 40 percent rise in visitors from China.

When traveling in their home country, Japanese tourists stayed an average 2.92 nights at domestic hotels and inns, and spend about 71,000 yen.

North Korea

Pyongyang Responds to UNSC Nuclear Resolution

Envoy Addresses UN on Resolution

SK1305152693 Pyongyang Korean Central
Broadcasting Network in Korean 1308 GMT 13 May 93

[Text] Pak Kil-yon, ambassador at the DPRK permanent mission to the United Nations, made a speech at the UN Security Council in New York on 11 May.

In the speech he stressed that our withdrawal from the Nuclear Nonproliferation Treaty [NPT] and the issues raised in fulfilling the Nuclear Safeguards Accord cannot destroy peace and security in the world and threaten the security of any other country.

He said: The United States' draft resolution, which has been distributed to this meeting, is designed to infringe upon our nation's sovereign rights and to stifle our socialist system. Therefore, we resolutely reject the draft resolution submitted to the UN Security Council because it is an unjust draft that violates the UN Charter stipulating the sovereignty of its member states and the regulations of the International Atomic Energy Agency [IAEA].

The basic factor that forced us to withdraw from the NPT is the U.S. maneuvering to intensify its nuclear threat to the DPRK and to disarm our country by forcing it to open its military sites, by manipulating some circles of the IAEA.

The United States, going against affirmative steps taken by the DPRK to join the NPT and to fulfill the safeguards accord, intensified the nuclear threat against us while leaving intact and maintaining nuclear weapons deployed in South Korea.

Through six rounds of nonregular inspections [pijonggi sachal], our country proved that our nuclear activity is aimed at peaceful purposes. Nevertheless, the United States and some circles in the IAEA fabricated the issue of inconsistency and maneuvered to justify it.

Under the plan to open our military sites, the United States offered slanderous intelligence material and satellite photographs to the IAEA and adopted a resolution to label us as a state that is not complying with the safeguards accord by instigating some circles in the IAEA. Thus, the United States brought this resolution to the UN Security Council.

This illustrates that the very ones who are not complying with the safeguards accord are not us but the United States and some circles in the IAEA Secretariat being manipulated by United States.

Ignoring the IAEA regulations on observing neutrality and impartiality and keeping secret, some circles of the IAEA systematically turned over our inspection results to hostile countries, including the United States.

The United States manipulated the IAEA's inspection of our country from the very beginning. The United States forced the IAEA's director-general, who attended a joint hearing of the U.S. Senate and Congress on 22 July 1992, to conduct a special inspection [tukpyol sachal]—a surprise inspection [kisup sachal]—of us.

A sovereign state has the right to refuse a special inspection demanded by the IAEA. It cannot be noncompliance with the safeguards accord.

The IAEA regulations have no article stipulating that one should open sites the IAEA considers suspicious to the inspectors. The inspection of suspicious sites demanded by the IAEA is a plot to open our military sites based on intelligence material and satellite data offered by the United States.

The United Nations has no legal and technical grounds to discuss the issue of our noncompliance with the safeguards accord. The resolution adopted at the IAEA's Board of Governors meeting was an unjust resolution which distorted the situation according to U.S. manipulation.

Our nation's withdrawal from the NPT is an issue pertaining to our sovereign rights and is the right we preserve according to the treaty.

Therefore, our nuclear issue is not an issue to be discussed at the UN Security Council. Some officials of the IAEA Secretariat are seriously infringing upon the sovereign right of our country, a nonnuclear state, by applying a double-standard policy and following the United States. Applying the double-standard policy on our country is unreasonable to the extreme.

We joined the NPT to have U.S. nuclear weapons withdrawn from South Korea and eliminate nuclear threat in conformity with the NPT's idea and purpose. However, the IAEA is giving tacit approval to U.S. actions violating the NPT without uttering a word.

The IAEA is not taking any measures against South Korea, which is actively promoting the development of nuclear weapons under the nuclear umbrella of the United States and Japan, which is accelerating preparations for becoming a big nuclear power. If some officials of the IAEA Secretariat allow the application of the double-standard policy, the big nuclear powers will be able to ridicule the nonnuclear states' fate at will and will unhesitatingly commit acts that infringe upon their sovereign right.

Today, they are threatening our sovereign right by applying the double-standard policy on our country, but tomorrow another nonnuclear state can be the target. Because of our sincere efforts to resolve the nuclear issue through negotiations, an agreement in principle was reached on carrying out negotiations between the IAEA and us. However, for the UN Security Council to adopt a resolution infringing upon our sovereign right at a time when we are scheduled to hold DPRK-U.S. high-level talks, is an act of neglecting the purpose of the UN

Charter, IAEA regulations, and international law, which is to resolve issues of dispute through dialogue and negotiations. It is also an act of giving tacit approval to the forcible measures of a big nuclear power.

If the UN Security Council adopts the U.S. resolution on forcing inspection of our military sites, this will infringe upon our sovereign right, make the situation on the Korean peninsula extremely tense, and result in a threat to Asia as well as world peace and security.

If the UN Security Council gives tacit approval to the forcible measures of the big nuclear power, the nonnuclear states and Third World countries will no longer be able to trust the current UN Security Council. If the UN Security Council works to contribute to peace and security on the Korean peninsula in accordance with its mission, we should find a way to resolve the nuclear issue on the Korean peninsula fairly before putting pressure on our country, a nonnuclear state, and take measures that will be of practical help.

If the UN Security Council ignores the principle of fairness and adopts the unreasonable resolution which puts pressure on us, it will be inevitable for us to take self-defensive measures. The nuclear issue on the Korean peninsula can be resolved only through negotiations between the United States and us. Because the United States deployed nuclear weapons in South Korea, the nuclear issue on the Korean peninsula was born. Also, our nuclear issue emerged because the U.S. forces created suspicion about our nuclear development.

This issue cannot be resolved by putting pressure or sanctions on the other side at the demand of the United States, the opponent country. History shows that if a dispute is aggravated it can ultimately lead to armed conflict.

The adoption of the resolution infringing upon our sovereign right by the forced measures of the United States will aggravate the situation on the Korean peninsula, and furthermore, it can result in unpredictable events.

Envoy Issues Statement on Resolution

*SK1405023293 Pyongyang Korean Central
Broadcasting Network in Korean 1315 GMT 13 May 93*

[Text] Pak Kil-yon, ambassador at the DPRK permanent mission to the United Nations, issued a statement on 11 May in connection with the UN Security Council's [UNSC] adoption of the unjust resolution on our country's withdrawal from the Nuclear Nonproliferation Treaty [NPT]. The statement reads:

The UNSC has discussed the so-called DPRK nuclear issue, which has no legal ground, and adopted a resolution infringing upon the sovereignty of our country, a nonnuclear state and a member state of the United Nations. We cannot control our indignation and surprise at this.

The DPRK has withdrawn from the NPT because of the U.S. nuclear threats against us and because of the unjust actions aimed at disarming our country by abusing the

treaty and the safeguards accord by the United States and its followers, some quarters of the International Atomic Energy Agency [IAEA] Secretariat.

Accordingly, our withdrawal from the NPT and refusal of special inspections of military sites [kunsu taesang] cannot be regarded as acts either to destroy world peace and security or to threaten any other country's security. Therefore, everyone can clearly understand that this cannot be an issue to be discussed at the UNSC.

If it had wanted to deal with our so-called nuclear issue from an impartial position, the UNSC should have adopted a resolution denouncing those who threaten us with nuclear weapons and threaten nonnuclear states' sovereignty by abusing the safeguards accord and deterring them from doing so.

Nevertheless, the UNSC has adopted an unjust resolution that infringes upon the DPRK's sovereignty, running counter to its mission.

The nuclear issue is related directly to the U.S. nuclear threats against the DPRK, and it should naturally be resolved through negotiations between our country and the United States.

Accordingly, the UNSC must take practical steps to have the United States fulfill its responsibility and duty by sincerely acceding to negotiations with the DPRK.

International agreements including the UN Charter regulates the advocacy of sovereignty.

We clearly declare that we can never accept the resolution and that we strongly oppose it.

The resolution adopted by the UNSC is pressure on the one side that is suffering actual nuclear threats on the Korean peninsula, whose situation is the most tense in the world. It only aggravates the situation of the Korean peninsula and will bring unpredictable, severe after-maths. It is nothing but an act of throwing cold water on dialogue and negotiations for resolving the issue.

Since it adopted the resolution opposing a small country, a victim of nuclear threats, by agreeing to forcible measures by a nuclear power, the UNSC has lost fairness, objectivity, and neutrality in its business and has lost developing countries' confidence in it.

Again we make it clear that we can never accept the unjust resolution and strongly demand that the UNSC withdraw the resolution if it wants to fairly resolve the nuclear issue.

If the United States and its followers ignore our just demand and adhere to putting pressure on us, we will not be able to help but take strong self-defensive counter-measures to protect our rights and interests. We never use empty words.

NODONG SINMUN Denounces Resolution

*SK1405023093 Pyongyang Korean Central
Broadcasting Network in Korean 0033 GMT 14 May 93*

[NODONG SINMUN 14 May commentary: "We Will Never Accept it"]

[Text] Attempts for injustice to hamper justice have been openly committed in the international arena. The UN Security Council [UNSC] has adopted a so-called resolution under the pretext of our Republic's step to withdraw from the Nuclear Nonproliferation Treaty [NPT]. This is a typical example of the attempt. The resolution demanded that the DPRK abide by the Nuclear Safeguards Accord, and that it reconsider its withdrawal from the NPT.

Our people regard the UNSC resolution as tragic and unjust and, therefore, strongly reject it. This resolution is intended to shamelessly interfere in our Republic's internal affairs and to flagrantly infringe upon our Republic's sovereign rights.

Either joining or withdrawing from international treaties are the issues related to each country's sovereign rights. We joined the NPT according to our own determination not someone's enforcement. The DPRK's withdrawal from the NPT is a self-defensive step taken under the grave situation in which our nation's sovereign rights and our country's supreme interests are infringed upon. Therefore, this is the just and fair exercise of our sovereign rights that cannot be the subject of international discussions. No one can pick a fight with us concerning it.

The United States and some member countries of the UNSC which are following it, are, nevertheless, pressuring us and regarding us as nuclear criminals. This is aimed at impinging on our people's dignity, infringing upon our nation's sovereign rights, and, furthermore, trampling upon our country's supreme interests by interfering in our Republic's internal affairs. How can we disregard this act!

Our people value independence as their life. We will never accept others' infringement upon our country's sovereign rights under the pretext of a fictitious nuclear problem. We have stressed it so many times. We have even demonstrated it through our practices and acts. Our nuclear problem was discussed at a place where it should be not discussed. We don't want to be the victim of the double-standard application. This is also another reason why we reject the UNSC resolution.

As our country's Foreign Ministry spokesman noted in his recent statement, our nuclear issue is not an issue to be discussed at the UNSC. Accordingly, the United Nations has no legal right or reason to adopt any resolution on the issue.

The target to be focused in discussions over our nuclear issue is the United States, not us. Because it is none other than the United States that made us withdraw from the NPT.

Instead of fulfilling its duty as a signatory of the treaty, the United States has given us severe nuclear threats and forced the International Atomic Energy Agency [IAEA] to adopt the resolution on special inspections of two sites [taesang], which have no relation to nuclear activities, with the purpose of disarming us by using some quarters of the IAEA Secretariat.

The United States is an offender, and the DPRK is a victim. If it is based on the principle of impartiality, the UNSC should naturally punish the United States, an offender, not us, a victim.

The UNSC, however, acted just in the opposite direction. In other words, the UNSC has lost its fairness and become a stage on which a double-standard policy can be applied.

The UNSC conducted a wrongdoing against our country today, and it can adopt such an unjust resolution opposing another country tomorrow. Taking this into account, what country in the world can trust the United Nations?

The United States was the originator of the recent UNSC resolution, and some countries agreed to it. This shows that they do not really want the resolution of the nuclear issue on the Korean peninsula.

The nuclear issue on the Korean peninsula cannot be resolved by forced measures or by pressure. It can be settled out only through negotiations.

Since negotiations between us and the IAEA developed, irregular inspection teams of the IAEA have visited our country, and DPRK-U.S. negotiations are being discussed.

In early April, the UNSC chairman's statement said that the UNSC would force negotiations to be held. The United States and its followers, however, deterred negotiations by adopting an unjust resolution through the UNSC.

If it really intends to resolve the nuclear issue on the Korean peninsula, the UNSC cannot conduct such contradictory acts such as forcing negotiations yesterday and then blocking them today.

The United Nations has made another disgraceful mistake in its history by adopting the recent UNSC resolution. People of the world do remember the U.S. shameful conduct of when the United States provoked the Korean war and dispatched allied forces of 15 countries, which followed the United States, to the front of the war in the name of the United Nations by adopting an illegitimate resolution at the United Nations. The UNSC is going to take the same reckless course.

By adopting the resolution, the UNSC has revealed itself as being used by the United States, our belligerent counterpart, in its maneuver to crush our socialist system.

Any forcible measure or pressure against us can never work. If the United States and some member countries of the UNSC, which follow it, consider our position and efforts to resolve the issue through negotiations as an expression of weak-mindedness, they are making a miscalculation.

If the UNSC tries to put unjust pressure on us, such as sanctions against the DPRK, based on the resolution, we will not allow it to do so. Our people will firmly defend the country's sovereignty and remain unyielding under all pressures.

KCNA Urges Retraction

*SK1405053793 Pyongyang KCNA in English
0506 GMT 14 May 93*

[“Unjust UN ‘Resolution’ Must Be Revoked”—KCNA headline]

[Text] Pyongyang, May 14 (KCNA)—The UN Security Council reportedly adopted an unjust “resolution” on May 11 calling on the DPRK to “retract the announcement of its withdrawal from the Nuclear Nonproliferation Treaty (NPT) and permit nuclear inspections”, and threatened that “other steps may have to be taken, if necessary”.

This is a crude violation of the sovereignty and dignity of the DPRK and an open strongarm act designed to stifle Korean socialism.

The adoption of a “resolution” by the UN encroaching upon the sovereignty of the DPRK over its fictitious “nuclear problem” is a fatal blot on the U.N. charter.

The coercive adoption of the unjust “resolution” by the UN against the DPRK’s self-defensive measure is a brigandish act which cannot go down with anyone, for the UN charter has no stipulation on taking issue with withdrawal from a treaty.

As a matter of fact, it is not the DPRK which has neither intention nor capacity to develop nuclear arms, but the United States which has deployed a large number of nuclear weapons in South Korea and threatens the DPRK at all times, that must be dealt with at the UN.

The United States, the very criminal which should be brought to justice at the UN and face sanctions from the international community, however, forced the adoption of a “resolution”, acting as an “international judge” in the UN arena. This makes it plain that the “resolution” is nothing but a club brandished by a robber.

It is a big mistake if the United States thinks it can frighten the DPRK with the “resolution”. No “resolution” can work on us.

The UN must renounce the “double standard” policy of putting pressure on the victim while conniving at the deed of the assailant and immediately revoke the “resolution” against the DPRK which can never be justified.

Radio Denounces Resolution

*SK1305155993 Pyongyang Korean Central
Broadcasting Network in Korean 1505 GMT 13 May 93*

[Text] According to a report, the UN Security Council on 11 May adopted an unjust [pudanghan] resolution calling on us

to revoke our withdrawal from the Nuclear Nonproliferation Treaty [NPT] and to accept nuclear inspections.

By adopting this resolution, the UN Security Council threatened us by noting that additional steps can be taken if necessary.

This is a violent infringement on the sovereignty and authority of our republic and is an undisguised act of force designed to stifle our socialism.

We sternly denounce the reckless act of the U.S. imperialists and reactionaries to interfere in the internal affairs of our republic. We also resolutely reject the unjust resolution of the United Nations.

The United Nations’ adoption of a resolution that infringes on our republic’s sovereignty on the pretext of our nonexistent nuclear issue is a critical stain [chimyo-ngchogin ochom] disgracing [torophida] the UN Charter.

Our nuclear issue has never been an issue to be handled by the United Nations. For the UN to handle this issue itself is unjust.

We have never violated the UN Charter, which seeks world peace and security. Our withdrawal from the NPT cannot be an act that threatens world peace and security. Our withdrawal was a just, self-defensive step taken to safeguard the nation’s supreme interests under the condition that the United States and some circles of the IAEA secretariat abused the treaty for infringing on security of our country—a nonnuclear state.

The UN Charter has no regulations that make an issue of withdrawal from the treaty. Therefore, the fact that the United Nations high-handedly adopted an unjust resolution pertaining to our self-defensive step is a brigandish act [kangdojok haengwi] which cannot convince anyone.

In reality the country that should be dealt with at the United Nations is not us, who has neither the intention nor the ability to develop nuclear weapons, but the United States, who is constantly threatening us by deploying many nuclear weapons in South Korea.

The United Nations should condemn without fail the brigandish crime of the U.S. imperialists, who are scheming to disarm us through special inspection by putting the IAEA in the forefront and furthermore smash [apsal] our socialist system.

The true culprit that should be brought to the United Nations and receive sanctions from the international community is the United States. However, seeing that it assumed the air of international judge and made it possible to adopt the so-called resolution at the UN arena, it is clearly known that the resolution is nothing but a club being whirled by a thief.

If this resolution by the United States is an attempt to do something to us, this is a big miscalculation. No resolution of any kind can work on us. The United States

should know accurately our people's strong will that does not waver under any kind of pressure and should not act rashly and thoughtlessly.

If the United States continues to force indiscriminate and unjust demands on us, it will receive a just counter-attack by our people, and they themselves will have to be responsible to history for the unpredictable results arising therefrom.

The United Nations should discard the double-standard policy of giving tacit approval to the offender while putting pressure on the victim, and immediately withdraw the absolutely unreasonable resolution against us.

South Minister's Remarks 'Hokum'

SK1405052793 *Pyongyang KCNA in English*
0500 GMT 14 May 93

["NODONG SINMUN on Jargon of S. Korean 'Foreign Minister'"—KCNA headline]

[Text] Pyongyang, May 14 (KCNA)—South Korean "foreign minister" Han Sung-chu spun out a rigmarole zealously supporting the unreasonable "resolution" adopted at the U.N. Security Council on the "nuclear problem" of the North, which he described as a "problem for the whole international community".

NODONG SINMUN today brands his outcry as a treacherous hokum which can be uttered only by pro-American flunkeyist traitors.

The news analyst says:

It is not difficult to see the true color of the present self-styled "civilian government" of South Korea in which the post of the "foreign minister" is held by the like of Han Sung-chu who does not have a shred of national conscience and dignity but is dyed to the marrow in pro-American flunkeyist and treacherous color.

If the present "government" of South Korea really wants to pursue "civilian politics," it must take the position of reconciling itself and uniting with fellow countrymen and rejecting outside forces and must not leave alone such traitors as Han Sung-chu who sells national dignity and sovereignty to outside forces.

If the South Korean authorities try to get something in encouraging the United States and its followers to take unreasonable strongarm measures such as "sanctions" against the North, it is a mistake.

The South Korean authorities must not act rashly, if they do not want to be cursed and denounced by the people at home and abroad as a group of pro-American flunkeyist traitors like the dictators of the "fifth and sixth republics."

Daily Details U.S. 'Atrocities' Against POW's

SK1405113193 *Pyongyang KCNA in English*
1103 GMT 14 May 93

["U.S. Imperialists, War Criminal"—KCNA headline]

[Text] Pyongyang, May 14 (KCNA)—NODONG SINMUN today comes out with an article denouncing the U.S. imperialists who crudely violated international laws on humanitarianism during the Korean war (June 25, 1950-July 27, 1953) by persecuting and killing POWs of the North side.

The article exposes part of the countless criminal atrocities of the U.S. imperialists.

According to it, the U.S. imperialists flagrantly violated international law on giving humanitarian treatment to POW's (Article 13 of the August 12, 1949, Geneva accord on the treatment of POW's and Article 4 of the 1907 Hague accord on the law and usage of war).

The U.S. imperialist aggressors did not fulfil their obligation to provide all hygienic and health conditions, lodging and clothing to POW's under Articles 25 and 26 of the Geneva accord on the treatment of POW's.

The U.S. imperialists deprived POW's of their rights and freedom stipulated in Articles 13, 14, 17 and 38 of the Geneva accord.

They conducted an illegal search of POW camps, insulted POW's and assaulted them on countless occasions.

Although POW's have the right to amusement under international law, the U.S. imperialist aggressors killed POW's of our side in cold blood for the mere reason that they sang songs.

The U.S. imperialist aggressors, in violation of Article 46 of the Geneva accord, transported POW's to Pusan from Inchon, South Korea, jampacking the under-deck holds with them as if they were cargo and giving them no food and water for 70-78 hours of voyage in two months from late October 1950. In the holds, more than 150 were choked to death and 100 died of starvation on each ship.

The U.S. imperialists, in wanton violation of Article 13 of Geneva accord, tortured, terrorized and murdered POW's and brutally killed or seriously crippled them by using them as objects of the efficiency test of atomic and other weapons and medical experiments.

The U.S. war criminals shot and stabbed POW's to death and even ran tanks over them, threw them into pots of boiling water, set fierce dogs on them and made them die from hunger or frostbite and skinned or buried them alive and set fire on them after spraying gasoline all over the bodies.

The U.S. imperialists turned Kojima Island into a human butchery and an "island of death" dwarfing Maidanek and Oswiecim, the living hells set up by Hitler Nazis during World War II.

The U.S. imperialists committed thrice-cursed crimes in using POW's of our side for the experiments of medicines which had not been applied to the human body, making them objects of practice by U.S. medical students, collection of bones for wounded U.S. soldiers and efficiency test of medicines.

They also made experimental operations on POW's after causing intestinal rupture and experimental operations of lungs of POW's, killing and crippling thousands of sick and wounded prisoners.

They even used POW's in the efficiency test of atomic and other mass-destruction weapons.

In June 1952, they carried out a test of chemical weapons on POW's in camp No. 76 on Koje Island. They fired chemical shells toward POW's from 27 tanks and 12 artillery pieces for several hours, killing 227 and heavily wounding 572.

These atrocities committed by the U.S. imperialists against POW's of our side were most brutal and savage ever in the history of wars.

The U.S. imperialists must apologise to the Korean people for their crimes in wantonly violating international laws on humanitarianism during the Korean war and face a stern judgement in the tribunal of history.

Choe Tae-pok Meets CPC Delegation From PRC

*SK1305152893 Pyongyang KCNA in English
1513 GMT 13 May 93*

[Text] Pyongyang, May 13 (KCNA)—Choe Tae-pok, alternate Politburo member and secretary of the Central Committee [C.C.] of the Workers' Party of Korea, today met and had a friendly talk with the party workers delegation of the Communist Party of China headed by Wang Jingmao, deputy secretary of the work committee of the departments directly under the C.C., CPC.

KCNA Urges Seoul To Punish Kwangju 'Culprits'

*SK1405045393 Pyongyang KCNA in English
0428 GMT 14 May 93*

[Text] Pyongyang, May 14 (KCNA)—The Central Committee of the Korean Social Democratic Party in a statement May 13 urged the South Korean authorities to mete out a deserving punishment to the chief culprits in the Kwangju bloodbath.

The statement was published on the occasion of the 13th anniversary of the May 18 Kwangju popular uprising, a patriotic national salvation resistance of the South Korean people.

Although the South Korean authorities made a "commitment" to "a solution of the Kwangju problem" before coming to power, the noble idea of the Kwangju uprising—independence, democracy and reunification—is still trampled underfoot in South Korea and the rulers have not yet discarded the idea of dependence on

the United States and pro-American flunkeyism, the statement says, and goes on:

The United States must go home without delay, taking along its occupation troops and all lethal weapons from South Korea, and take hands off South Korea.

If they meant what they said when they declared "no ally is better than the nation", the South Korean authorities must take the road of national independence not later than now and, as a token of it, renounce the policy of dependence on outside forces and manifest their willingness to get U.S. forces withdrawn from South Korea and take steps to cease joint military exercises with foreign troops for good and rid themselves of the U.S. "nuclear umbrella".

They should abolish anti-reunification fascist laws including the "National Security Law", dissolve the "Security Planning Board" and other fascist repressive machines, release all the political prisoners and reinstate participants in the Kwangju uprising, the statement urged, and stressed:

The Korean Social Democratic Party will render positive support in the future, too, to all the parties, groupings and people of broad strata in South Korea in their righteous struggle to bring the idea of the May 18 Kwangju uprising into reality.

Paper Denounces South's Arms Buildup Project

*SK1305114093 Pyongyang KCNA in English
1046 GMT 13 May 93*

[“Yulgok Project” Debunked”—KCNA headline]

[Text] Pyongyang, May 13 (KCNA)—If the South Korean authorities and military continue to follow the road of war against fellow countrymen, they would face self-destruction, warns NODONG SINMUN in a by-lined article today.

Noting that a corner of the curtain was lifted of late to reveal an aspect of the "arms buildup" stepped up by the successive authorities in South Korea under the sign-board of "Yulgok project," it says:

Yulgok is the official name of Yi I, a politician of the feudal state of the Yi dynasty in the 16th century.

The South Korean authorities and military have annually appropriated more than 30 percent of the "defence budget" to the "Yulgok project" aimed at modernization of the equipment of the puppet army from the mid-1970s, bringing the total amount to about 32,000,000 million won, the article says, and goes on:

This tells how feverishly the South Korean authorities are hastening arms buildup to prepare for a war against the North.

The successive South Korean rulers have set it as the keynote of the modernization of the puppet army

dubbed "Yulgok project" to speed up the war preparations against the North by annually introducing [number indistinct] dollars of weapons and military equipment from the United States. [Words indistinct] be overlooked here that the "Yulgok project" was not confined to [word indistinct] of conventional arms. The development of nuclear weapons stepped up frantically by them allegedly to "perfect self-reliant defence posture" has been part of the "project".

Arms buildup now is gaining further momentum in South Korea under the name of the "Yulgok project".

Appropriations for the introduction of weapons and "defence industries" in the 1993 "defence budget" amount to 3,100,000 million won.

The South Korean military force has misappropriated a colossal amount of money through the "Yulgok project".

These days the South Korean authorities and military are talking about "self-investigation" in a bid to hush up corruption scandals committed under the cloak of the "Yulgok project". This is partly aimed at keeping more illicit money-hoarders from being exposed to the public, but their real intention is to conceal the truth behind nuclear arms development they have stepped up in secrecy.

If the South Korean authorities are really committed to "civilian government", they must immediately stop their arms buildup aimed at northward invasion and take the road of national unity under the banner of the 10-point programme of great unity of the whole nation.

Mugabe: Kim Il-song Denies North Nuclear Weapon

SK1305141493 Pyongyang Korean Central Broadcasting Network in Korean 0400 GMT 13 May 93

[Excerpts] Zimbabwean President Robert G. Mugabe, first secretary and chairman of the Zimbabwe African National Union-Patriotic Front Central Committee and president of the Republic of Zimbabwe, held a news conference on the afternoon of 12 May before leaving Pyongyang after his successful visit to Korea. [passage omitted]

Answering a correspondent's question on the nuclear issue, President Robert G. Mugabe said: I listened carefully to the great leader's remarks on this issue. I also hope that the DPRK will certainly succeed in its efforts for negotiations with the United States, and I am satisfied with these efforts.

My government and I are deeply concerned that the nuclear issue has been raised when North-South dialogue is suspended. However, we sincerely hope that the North and South of Korea will achieve national reunification through dialogue.

I understand that the International Atomic Energy Agency [IAEA] conducted a series of inspections in your country and that the IAEA expressed satisfaction with the results of those inspections. Moreover, the great

leader Comrade Kim Il-song has told me that there is no nuclear weapon in the DPRK.

The main issue is inspection of all the military bases [kunsajiji] on DPRK territory. It is evident that no country will accept such a demand. If inspections like this were conducted, your military bases, munitions factories, and all other military facilities would be exposed worldwide and opened to the public.

All countries must be treated impartially. Countries larger than the DPRK have their own nuclear weapons. Why are these countries not inspected first?

The idea of the great leader is to remove all nuclear weapons from the Korean peninsula; in other words, to denuclearize the Korean peninsula. We have discussed at length the nuclear-free zone of the Indian Ocean, and we advocate the denuclearization of the whole world. Therefore, we fully support the idea of denuclearization from an objective point of view.

We strongly oppose the resolution on nuclear disarmament adopted at the United Nations, a resolution that is being abused by some big countries in order to occupy military bases in some small countries and to maintain their military power in small nation.

Expressing our deep gratitude again for the sincere hospitality and welcome the great leader and the DPRK Government and people gave us, we assert that Zimbabwe will remain an eternal friend of Korea.

KCNA: 'Steady Increase' in Number of 'Heroes'

*SK1305234993 Pyongyang KCNA in English
1507 GMT 13 May 93*

[Text] Pyongyang, May 13 (KCNA)—The number of performers of feats and heroes of the times is on the steady increase in the Democratic People's Republic of Korea.

Some 400 heroes of the Republic and labor heroes (16 twice-awarded heroes among them) have emerged from among the Korean people in the five years since "Let us all live and struggle like heroes," a historical document of the dear leader Comrade Kim Chong-il, was published in May, 1988.

They include veteran revolutionaries who have devotedly worked for the country and the people for dozens of years ever since the anti-Japanese revolutionary struggle, veteran soldiers who performed feats in socialist construction in the spirit and stamina which they displayed in defending the country in the fatherland liberation war and rebuilding destroyed economy in the postwar rehabilitation and construction and young people in the twenties or thirties who unhesitatingly dedicated their youth and lives to the society, collective and comrades.

There are also among them builders who greatly contributed to the pre-schedule completion of the first-stage construction of the Sunchon vinylon complex, the May 18 large material forging factory and dwelling houses in

Pyongyang and ore and coal miners, furnacemen, weavers, raftsmen and farmers who set examples in carrying out the national economic plans.

The heroes include People's Army soldiers who have performed heroic feats in defence of the country and in socialist economic construction and scientists, technicians, teachers, doctors, writers and intellectuals who have distinguished themselves in developing science, education, literature and art.

More than 100 heroes were produced in the People's Army in the past one year or more.

Saying that for all the people to live like a hero and become heroes is the most precious and worthy life and the highest honor to an independent man, Comrade Kim Chong-il vigorously roused our people to a heroic struggle.

The heroism of the Korean people which owes its origin to the anti-Japanese revolutionary struggle has been brilliantly inherited and developed through years of arduous yet worthy revolution and is given fuller play in the present time when grand socialist construction is at its height.

The Korean people have completed the construction of over 800 programs including the sodium carbonate factory of the Namhung youth chemical complex, the Taechon power station, the Hyesan-Manpo youth railway and built a large number of monumental edifices and increased production over the past five years by displaying mass heroism and matchless devotion in all fields of socialist construction.

The Korean people who are demonstrating the mettle of heroic Korea, united around the party and the leader in one mind, are accelerating their dynamic march toward the complete victory of socialism.

KCNA Reviews 14 May Pyongyang Press

*SK1405052893 Pyongyang KCNA in English
0456 GMT 14 May 93*

[Press review]

[Text] Pyongyang, May 14 (KCNA)—All papers here today devote their first three pages to calls of the Central Committee of the Workers' Party of Korea [WPK] on the occasion of the 40th anniversary of the victory in the Fatherland Liberation War (July 27, 1953).

In the calls the WPK Central Committee appeals to the entire party members and working people to turn out to defend and accomplish the cause of socialism, staunchly fighting against the anti-DPRK, anti-socialist moves of the U.S. imperialists and the reactionaries.

Carried in the press is news of rice transplanting on co-op farms.

Spotlighted in the press is news that Korean players have proved successful at the first east Asian games.

Carried in the press are a statement released by the chief of the DPRK permanent mission at the United Nations denouncing the unreasonable "resolution" adopted by the United Nations Security Council on the DPRK's withdrawal from the Nuclear Nonproliferation Treaty, a summary of his speech at the UN Security Council and commentaries repudiating the "resolution".

A NODONG SINMUN analyst accuses the South Korean "foreign minister" of supporting the afore-said "resolution".

Under the headline "if 'sanctions' were taken against the Korean people, it would be something like 'declaration of war'", NODONG SINMUN conveys foreign public voices supporting the self-defensive measure of the DPRK.

Appearing in the paper is an information of the secretariat of the committee for the peaceful reunification of the fatherland denouncing remarks of the South Korean "prime minister" that the "December 12 army purge coup" was not illegal.

In a commentary the paper raps the present "regime" of South Korea which resorted to fascist suppression against students' righteous struggle with the mobilization of the police, branding it as an "illegal act".

The paper comes out with an article titled "The U.S. Imperialists Are War Criminal Who Wantonly Violated International Humanitarian Law".

The press informs the readers that the new prime minister of Pakistan elaborated on his government's home and foreign policy and Jordan denounced Isreal's reckless decision on nuclear waste disposal.

NODONG SINMUN deals with the complicated political situation of Italy in the worst political crisis.

*** New Laws Enacted on Importing Foreign Technology**

932C0113A Pyongyang MINJU CHOSON in Korean

[Article in two installments] [9 Mar p 2]

[Text] Our dear leader, Comrade Kim Chong-il pointed out as follows:

"In order to raise the level of our science and technology in accordance with the international standard, we have to develop new areas in science and technology, while importing advanced science and technology from abroad as well. We also have to try to apply the outcome of the scientific and technological developments to the enhancement of our people's economy."

Recently, the State Administration Council enacted a new law for scientific research and the new technology import agreement.

The law consists of a total of 16 articles, that describe fundamental issues arising from signing the contractual agreement and its execution.

The law, first of all, specified the purpose of the law and organizations to which it will be applied.

The purpose of the law is to accelerate the chucheization, modernization, and scientification of the people's economy by enhancing the level of science and technology under the collective responsibility of the scientific research organizations, plants, and enterprises in carrying out scientific research and the new technology import through a thorough accomplishment of our party's intention and the great leader's guidance in actively applying the outcome of the scientific and technological research to production. The law is, therefore, to be applied to the organizations that will actually work on research topics, and to the organizations, enterprises, and cooperative organizations that will import the new technology (they are called organizations and enterprises hereafter).

The purpose of scientific research is not to carry out the research itself, but to help accelerate the nation's economic development. While the results of scientific and technological research open the possibility of rapid economic development, the research itself is not directly related to the economic development. The results of scientific and technological research can be proven to be an enormous power for economic development only when they are applied to production. Therefore, in order to be of practical use to economic development, scientific and technological research results should be applied to production. The important issue is to properly carry out the technology import contract agreement.

According to the new law, when scientific research organizations work on their research topics to be imported, and when other organizations and enterprises plan to bring in new technology, it is required that a contract be signed between relevant organizations. However, a contract agreement is not required when they want to import scientific and technological research results that are already available without help from other organizations and enterprises.

The new law also specifies the guidance and management issues arising from the contractual agreement and its execution. According to the law, a unified guideline for contractual agreements and their execution will be provided by the State Scientific and Technological Committee (SSTC).

The unified guidance by the SSTC guarantees the acceleration of chucheization, modernization, and scientification of the people's economy by reinforcing the relationship among the plants and enterprises and by providing guidance and regulation in order that scientific research achievements and the new technology import are materialized.

The law also defines the principles for importing scientific research and new technology.

It is an important guarantee to thoroughly abide by the law of contractual agreement to reinforce the relationship among the research organizations, plants, and enterprises.

Research organizations that will include import research tasks in their science and technology developmental plan should sign a contractual agreement with organizations and enterprises that will adopt the outcome of the research. On the other hand, organizations and enterprises that will import the new technology or problems that require scientific and technological clarification should also sign a contractual agreement with the appropriate research organizations. According to the new law, import research topics without contractual agreement are not supposed to be included in the scientific and technological developmental plan. Organizations and enterprises that receive the long-term national plan for scientific and technological development are required to sign a contract with appropriate research organizations and enterprises. If new and important research topics and new import topics that are not included in the developmental plan are emerging, they should be included in the plan and a contract should be made among the appropriate organizations and enterprises, according to the direction given by the SSTC. [11 Mar p 2]

[Text] The new law also defines issues related to the detailed wordings and sentences in the contractual agreement.

Proper wordings in the contractual agreement have significant meaning in importing scientific research tasks and new technology results.

The wordings should include the contractual obligation to be mutually fulfilled by the research organizations, plants, and enterprises. Therefore, only a proper construction of the sentences and wordings in the contract can guarantee a successful realization of research and the new technology import without serious problems during the execution of the contract.

First of all, the task title and names of the research organization, import organization, or organizations that help do the importing should be clearly entered into the contractual agreement. Furthermore, the following items should also be clearly identified in the contract: the name of organizations that will carry out the scientific research and technology import, the scientific and technological goal to be achieved or the contents to be investigated, guarantee of terms, economic effects, and the expected profit size. Five copies of the contractual agreement that clarifies the contractual obligation should be prepared: one for each party involved in the agreement, and the remaining copies for the SSTC and other higher organizations.

The law also defines the requirements that arise in the execution of the contract.

A responsible fulfillment of the contractual obligations is a firm guarantee for importing scientific research and the new technology. The organizations and enterprises that signed the contractual agreement to import scientific research and the new technology should make major efforts to thoroughly fulfill the contractual obligation.

Should a modification and addendum to the original contract become necessary during the course of its execution, mutual agreement becomes necessary. Problems should be resolved by mutual discussion. Problems that cannot be resolved by mutual discussions should be resolved according to the procedure specified in the law.

According to the law, obligations will be reviewed and evaluated by the appropriate evaluation committee. The committee acknowledges that the contractual obligations are carried out only when the goals and economic effectiveness specified in the contract are achieved. Therefore, scientific research organizations, plants, and enterprises should pay serious attention to achieve their goals and economic effectiveness specified in the contractual agreement.

The law also defines how to deal with the profit generated from the execution of the contractual agreement.

According to the law, in the event that the contractual agreements are fulfilled, the profit is permitted to be shared within three years of profit generation by the organizations that carried out the research, by those who helped with the new technology import, and the organizations and enterprises that adopted the new technology. The ratio of profit distribution will be determined by the Ministry of Finance and the SSTC.

When the contractual agreement is fulfilled with profits, 30 percent of the expected share will be paid initially to the research organizations, and the remaining 70 percent will be paid when the evaluation committee is convinced that there is no problem in using the outcome of the effort after thorough one-year experiments through the application of the research outcome to production.

The law also specifies the responsibility when the contractual agreements are not fulfilled.

Scientific research organizations, plants, and enterprises should clearly understand the contractual requirements specified in the law. By thoroughly fulfilling the requirements, they should positively contribute to the acceleration of chucheization, modernization, and scientification of the people's economy.

* Article Describes DPRK News Media

932C0125A Seoul NAE0E TONGSIN in Korean
11 Mar 93 pp B1-B6

[Unattributed article: "Facts and Characteristics of North Korean News Media]

[Excerpts] The North Korean news media does not exist to serve the people's right to know. Its No. 1 concern is how to indoctrinate the people to keep up the present regime.

Consequently, the more than 30 central and local newspapers currently published in North Korea include none by private individuals or groups. All are organs of the party, the State Administration Council [SAC] or of organizations under their control.

Nine of them are published in Pyongyang, including NODONG SINMUN, MINJU CHOSON, PYONGYANG SINMUN and NODONG CHONGNYON, organs of the Workers Party of Korea [WPK], the SAC, the Pyongyang City People's Committee, and the Socialist Working Youth League respectively. Besides, there are two weeklies.

North Korea has 10 local papers, including organs of provincial party or administrative committees. The English paper PYONGYANG TIMES is published every Saturday.

Such being their functions and role, articles printed are virtually identical in substance except for some peripheral differences between individual media. Inasmuch as they exist basically not as news media but a political propaganda tool, it can be safely said that the North Korean media virtually has nothing to do with the concept of speed in news reporting.

Articles written in various departments are first submitted to the department chief, the assistant chief and the chief of the editorial bureau, and the assistant chief editor and the chief editor in that order for inspection. Then, they are subject to censorship by the Newspaper Section of the Press Guidance Bureau, an agency under the SAC. They must be cleared by them all before they are finally censored by the Propaganda and Agitation Department of the WPK Central Committee.

The writing and editing of articles is usually finished at about noon, then the early edition is printed and submitted to the censorship process at about 1700. The printing starts only after they have passed censorship, and the papers thus printed are usually distributed to readers between 1000 and 1400 the next day by mail through the established routes.

NODONG SINMUN, the party organ, is most typical, representing the nature and characteristics of the North Korean news media.

Its predecessor was CHONGNO launched on 1 November 1945 following the founding in October the same year of the then Communist Party of North Korea. NODONG SINMUN is a six-page morning paper published seven days a week and has a circulation estimated at 900,000 to 1 million (but reportedly less than that these days because of economic difficulties).

The NODONG SINMUN company has 12 departments including the editorial. Separately, it has a "South Korea Department." Approximately 100 people work there including the department chiefs and female reporters.

In this company, the Party Life Department, the Party History Indoctrination Department and the Revolutionary Indoctrination Department perform the pivotal role. They are assigned to reporting and writing about party activities and decisions, theoretical indoctrination in the chuche ideology or communism, and the revolutionary history and class theories relating to the cult of personality for Kim Il-song.

Therefore, in the case of NODONG SINMUN in particular, its reporters should be viewed as the party's propaganda and agitation functionaries, not as press reporters.

The subscription rate of NODONG SINMUN is about 1.5 North Korean won per month. The paper is directly delivered to party and government cadres but, in the general public's case, they read it not individually but collectively at their Newspaper Reading Meeting or similar gatherings.

Like the rest of them, NODONG SINMUN never reports incidents or accidents inside the establishment such as murders and burglaries, and irregularities involving party and government officials. On the other hand, under the party's South Korea strategy, it daily devotes a full page to articles dealing with negative aspects of South Korean society, distorting and fabricating and exaggerating facts so as to lead the people into a revolutionary struggle.

NODONG SINMUN prints articles aimed at creating social confusion and stirring up conditions for a communist revolution in South Korea, including items seeking to win broad support for the North Korean reunification plan, expand an anti-U.S., anti-imperialist front for reunification, secure larger support forces among residents, and to weaken or isolate the present South Korean regime.

MINJU CHOSON was launched in August 1945, originally as the organ of the South Pyongyang Province People's Committee. Currently, it is the organ of the SAC, serving as the mouthpiece for both the SAC and the Supreme People's Assembly, the legislature.

MINJU CHOSON, published everyday except Mondays, is ranked only next to NODONG SINMUN.

It reports activities and plans of the legislative and administrative bodies to help ensure the effective implementation of WPK lines and policies, with emphasis on articles aimed at strengthening Kim Il-song's one-man dictatorship and justifying the father-to-son succession. [passage omitted]

In the MINJU CHOSON company, the chief editor is the top responsible officer, with two or three assistant chief editors working under him. It has nine departments, less than what NODONG SINMUN has.

PYONGYANG SINMUN, organ of the Pyongyang City People's Committee, was late coming. A central paper distributed nationwide, it was founded in 1957.

Its main duty is to publicize WPK lines and policies and organize and mobilize the working people into their implementation. Showing an editorial element different from NODONG SINMUN or MINJU CHOSON, it carries serial novels and cartoons. But they are invariably for propaganda on party policy in substance. Thus, the paper cannot be an exception to the nature and characteristics inherent in the North Korean media.

In this sense, the North Korean electronic media is not an exception either.

The Korean Central Broadcasting Committee is the top agency in control of all broadcasting operations. It is divided into two systems, TV and radio.

The Korean Central Television [KCTV] is a typical North Korean TV station. There are three other TV stations, including Mansudae TV and Kaesong TV. The Kaesong TV is exclusively for propaganda broadcasts to South Korea.

The KCTV was launched on 3 March 1963 originally as the Pyongyang Television Broadcasting Station. The name change came on 15 April 1970. The color TV cast began on 15 April 1974 marking Kim Il-song's 62d birthday.

It is on the air 47 hours 30 minutes a week—six hours daily from 1700 to 2300 on weekdays, and 11 hours 30 minutes from 1000 to 1300 and from 1500 to 2330 on Sundays and holidays.

It uses the PAL [phase alternation line] color television system, a European system. Its programs are, in form, consist of news, educational and entertainment materials; in substance, however, they are devoted to rhetoric lauding Kim Il-song and Kim Chong-il, publicizing party policies and denouncing South Korea and the United States. [passage omitted]

With an output of 25 kw, the KCTV covers all parts of North Korea through transmitting stations set up in 14 locations.

The Mansudae TV, on the air only on Saturdays and Sundays, is a local station serving the Pyongyang area. It is mainly for art and movie programs.

The Kaesong TV for broadcasts to South Korea opened in 1971 and has since been operating from 1900 through 2330 on weekdays except Mondays, and from 1600 through 2330 on Sundays. The station is off the air on Mondays.

The leading radio station is the Korean Central Broadcasting Station [KCBS]. Its predecessor was Pyongyang Radio which started service on 14 October 1945. KCBS broadcasts consist of domestic and external programs for foreign listeners.

The KCBS currently broadcasts 22 hours daily; externally, it broadcasts in eight languages, including Korean, for a total of 90 hours.

It comes on the air at 0500 and signs off at 0300 the next day daily. Its programming is generally devoted 60% to indoctrination, 25% to news, and 15% to entertainment. Programs for indoctrination are mainly devoted to the cult of personality and eulogy for Kim Il-song and Kim Chong-il, while, in news programs, it carries reports, commentaries and editorials provided by government-run print media such as the Korean Central News

Agency [KCNA] and NODONG SINMUN, with top items invariably going to news about Kim Il-song and Kim Chong-il.

Besides, the KCBS has programs for kindergarten children, juvenile corps, sentries, working people and youth respectively.

Radio Pyongyang is exclusively for broadcasts to South Korea. It is under the control of the party's South Korean Affairs Department.

Radio Pyongyang broadcasts 23 hours 30 minutes daily from 0600 through 0530 the next day, with programs dominated by assertions of superiority of North Korean system and criticisms of South Korean society.

In form, it basically resembles the KCBS except that it has fixed programs, "Marxism-Leninism Lecture" and "Kim Il-song Broadcast College Lecture." Also characteristic of it are programs such as "Hour for Compatriots in Japan," "Hour for South Korean Youth" and "Hour for Officers and Men of the South Korean Armed Forces."

Generally, Radio Pyongyang programs are devoted 50% to news, 15% to commentaries, 10% to indoctrination, and 10% to entertainment. The station also has external programs broadcast in English, Japanese, Chinese, French and Russian.

Besides, there is "Radio Voice of National Salvation" of the South Korea National Democratic Front (Hanminjon), a clandestine organization, and "Pyongyang FM Radio" launched in January 1989 as a psychological warfare radio directed to South Korean children and youth.

Radio Voice of National Salvation, with its transmitter in Haeju, Hwanghae Province, is managed by "Chil-bosan Liaison Office" of Hanminjon under the guidance of the Reunification Propaganda Department (External Liaison Department) of the WPK. It is known to be using defectors from South Korea to pretend as if broadcasting from somewhere in South Korea.

The Revolutionary Party for Reunification [RPR], an allegedly spontaneous group formed in South Korea in August 1969, changed its name [to Hanminjon] in July 1985 and, as the result, its mouthpiece, the Voice of RPR also changed its name [to Radio Voice of National Salvation] in August 1985.

The KCNA under the SAC's direct control is the only press agency in North Korea.

The KCNA focuses on publicizing the WPK's and SAC's positions externally. While it generally resembles other press agencies in functions, receiving foreign wire dispatches and conveying them to newspapers and radios, it is mainly dedicated to publicizing the views of the WPK and the SAC to other countries.

It has contracts with foreign news agencies, employing 550 people altogether and having correspondents in places like Algiers, Beijing, Havana and Jakarta.

Under the president, the KCNA has five vice presidents and a chief editor and is run under a dual system. It also has a South Korea department separate from other departments.

* Article Details Everyday Life in Army

932C0131A Seoul CHUNGANG ILBO in Korean
15 Apr 93 p 11

[By correspondents Kim Kuk-hu, Yu Yong-ku, and O Yong-hwan]

[Text] Getting up from bed and the roll call at 0600 in the morning; an exercise, listening to the newscast; breakfast, the morning drill; lunch; the afternoon drill; dinner; the mass culture hour; the roll call; going to bed at 2200 in the evening; the sentry duty.

The barracks life of the North Korean soldiers is very tight.

Most of North Korean youths who join the armed service at the age of 17 upon completion of a higher middle school at the call of the party and the leader [and who are on a career track] have to live by this tight schedule for 10 full years. On paper they are entitled to only 11 days of regular furlough a year, but even this short leave has not been in force since 1984. When they have no drills, they are often mobilized in state-initiated construction projects or community labor service in rural areas. That is why people in and out of the military sarcastically call the Army "kkondae" and the soldier "kkonsami" in view of the rigorous lifestyle of the military. Nevertheless soldiering plays a crucial role in the North Korean social system in which personal backgrounds are of vital importance.

All youths who are not accepted by colleges must join the Army. In the North Korean Army all officers except those in special services are selected from among soldiers. That is why for youths who come from the basic classes, such as the peasant class, the military life, exhausting as it is, is a springboard for advancement in life. The organizations that are in charge of recruitment are: the Military Mobilization Bureau of the Ministry of People's Armed Forces and the Personnel Affairs Bureau (taeyol kuk) of the General Staff.

Under the guidelines of the Military Mobilization Bureau, the military mobilization department of each provincial, municipal, and county party committee drafts youths into the service periodically in March and September each year.

Most of the draftees are youths ranging in age from 17 to 25 who are in the graduating classes of higher middle schools. Exempted from the service are some of the college students, some essential personnel in industries, artists and athletes, and those who are rejected in the physical examinations.

Family members of defectors to the South and convicted criminals cannot cross the gate of "sacred" Army. Once

conscripted, draftees are assigned to their respective units, where they are given a recruit's insignia upon completion of a three-month training course.

According to defectors from the North, there are no separate training centers for draftees as such, but one or two training establishments are set up at the regimental level in each division. (?Private) [chonsa] is the first rank a draftee gets after making their soldier's vow that "I dedicate my life to the government and the people to the end...." under the regimental flag. He becomes a corporal after going through rigorous training. Then upon completion of six-month training in an enlisted men's training unit, he moves up the ladder from staff sergeant to sergeant first class, to master sergeant before ending his service at the rank of sergeant major. Of course, some are discharged at the rank of sergeant first class or master sergeant. Reportedly, there is no system of professional enlisted men, nor the soldier of the duty system [tangbon pyong che], nor an orderly system [kwallibyong che che].

A small number among soldiers in their third or fourth years of service who are specially selected by the cadre section of each regiment are admitted to Kanggon Military Academy and Kim Il-song Political College, and become commissioned officers or political guidance officers after two years of training. This is the only way to become an officer, except for medical and legal officers. Barrack life mostly centers on the company as a unit. Under the company commander, there are a political guidance officer, a deputy commander, and three platoon leaders. The company commander has the command of his company, but reportedly, the soldiers are more concerned about reading the face of the political guidance officer because he is in charge of party guidance and personnel management.

Usually a barrack is used by a platoon of approximately 120 soldiers. The ordinary furlough system exists only on paper, and there is a week of special furlough when one's parent dies, in addition to a periodic commendation furlough.

The schedule for a typical year in barracks runs like this: drills from January to April; farm community service activities from April to June; work on military and state construction projects from June to December. This indicates that the soldiers play a substantive role as an industrial reserve.

The security personnel (military police) belonging directly to the Ministry of People's Armed Forces are in charge of the discipline of soldiers. Because soldiers spend a lot of time outside their barracks, an act harmful to civilian homes is punishable as a most serious crime. Needless to say, anyone committing battery or desertion is locked up in a guardhouse.

The pay is 2 won (700 South Korean won) for privates and nine won (3,150 won) for sergeants major. Each soldier draws a daily ration of ten cigarettes of a local brand (such as "Chebi" and "Chilsongmun" for units in the Hamhung area).

According to defectors from the North, soldiers salute to their superiors without saying hello, but they shout "Long Live Comrade Kim Il-song!" when they have a march past.

* Russian Institute Evaluates North Economy

932C0116A Seoul CHOSON ILBO in Korean
31 Mar 93 p 21

[By correspondents Yi Chun-sam and An Hi-chang]

[Text] Amidst talks of economic sanction on North Korea by the international community in an effort to discourage its intention to withdraw from the Nuclear Nonproliferation Treaty (NPT), there is a growing curiosity about the realistic North Korean economic situation. The Chosun Ilbo obtained a recent report on the North Korean economy published by a Russian research institute, which is an authority in international economics. The following is a summary of that report.

Overview of North Korean Economy

1993 is the last year of the third seven-year economic plan started in 1987. The major goal during the seven-year period was to accomplish the "10 major prospective targets," including the increase of industrial production by 1.9 times, agricultural production by 1.4 times, and the national per capita income by 1.7 times.

The chance of accomplishing the goal is slim. Between 1987 and 1988, the increase in industrial production was no more than 2 to 3 percent. In 1987 North Korea spent \$80 million for the 13th Pyongyang Festival. In 1989 the investment in the heavy and chemical industries was neglected because of the emphasis on the light industry aimed at improving the people's living standard.

Because of the people's loss of interest in a hard-working spirit, the GNP has been declining since the late 1980s until the early 1990s. Moreover, the severe drought in 1989 and the flood in 1990 aggravated the economy even more. The GNP in 1989 was decreased by 5 percent compared to the previous year. The production in the following areas was also decreased; electric power by 14 percent, coal by 8 percent, non-ferrous metal by 9 percent, petroleum-related products by 9 percent, cement by 8 percent, and chemical fertilizer by 5 percent. The decreasing trend plateaued in 1990 due mainly to the increase in hyrdoelectric power.

Despite major efforts in 1991 to increase the production of major industrial products, including coal, steel, electric power, non-ferrous metal, cement, and lumber, in order to show off Kim Il-song's accomplishments on the occasion of his 80th birthday in 1992, the GNP decreased by 3 percent and the per capita income decreased by 5 to 6 percent. The failure in the prompt delivery of crude oil and raw materials from the former Soviet Union and Eastern European countries was blamed to be the major cause of the decrease.

The industrial production accounts for 45 percent of the North Korean GNP and two-thirds of the industrial production is from heavy industries. Yet the rate of the facility operation stayed only at 40 to 50 percent of the full capacity.

During 1990 and 1992, the maximization of the production of coal, iron ore, and non-ferrous ore emerged as an urgent task. The actual production of coal and iron ore, however, was 49.5 million tons and 12.6 million tons, respectively, which is the same level of production as in 1990. Hydroelectric power accounts for more than half of the total electric power in North Korea. The production of electric power, that was reduced by 15 percent in 1989, was substantially increased in 1990. The total production of electric power in 1991 was 32 billion kWh, which did not exceed that of 1990. The goal of the third seven-year economic planning was 100 billion kWh.

The status of the North Korean machinery industry, that comprises approximately 400 related enterprises, is comparable to that of the 1950s and 1960s of the industrially advanced nations. In chemical industry, the construction of the Sunchon vinalon complex with an annual production capacity of 100,000 tons, and Sariwon potash fertilizer complex is in progress.

Due to the overall economic hardship, there is no noticeable production in the light industry during 1991 and 1992. The only active area is the garment industry, which was mostly joint-ventured with foreign companies. Several export-oriented garment factories, equipped with German and Japanese machines, are in operation in Pyongyang and Wonsan.

Foreign Debts

The North Korean foreign debts by early 1992 was estimated to be more than 4 billion rubles [R] (\$1 is equivalent to R0.6). The following is a summary of the major North Korean foreign debts: R2.7 billion from Russia, R0.15 billion from China, \$0.28 billion from Japan, \$0.22 billion from Australia, \$0.14 billion from Germany, and \$0.1 billion from England.

Since 1989 North Korea has been asking Japan and international organizations, including U.N., for financial assistance and official and a business loan.

According to German businessmen in Pyongyang, Vice Premier Kim Tal-hyon promised the German Government during his visit to Germany in February 1992 that North Korea will pay back \$0.14 billion debts in the near future. It is anticipated that North Korea can pay back \$60 million by 1993.

North Korea has already paid back the debt of \$8.5 million to Siemens company, a major supplier of radars and airplane navigation systems to North Korea.

North Korea also paid back the debt of \$6 million to Belgium, who has been providing technical assistance in

the development of the gold mine industry. The pay-back policy of some of its debts is not consistent. North Korea is not yet considering to pay back the debts of \$0.14 billion to Sweden, \$0.13 billion to France, and \$20 million to Finland.

Investment Policy

North Korea has been irrationally investing its yet scarce financial and production resources.

An example is the investment in the areas of political propaganda to its people and of reinforcing the authority of its system. An example of the investment that clearly exceeds North Korea's financial capability is the construction of a chemical fertilizer complex in Sariwon and a vinalon complex in Sunchon.

Economic development is still solely attributed to the "strategy and guidance of the great leader." It is, therefore, impossible to assess financial principles and to adopt an independent financial system in any form.

Foreign Relationship

In North Korea, where the establishment of a self-reliant economic system has been heavily emphasized, economic relations with foreign governments are bound to be of secondary importance. It is not true, however, in reality. Since there are no natural resources such as gas, crude oil, and coking coal, North Korea is relying on imports for 80 percent of its energy. Furthermore, it has been receiving economic and technical assistance from foreign countries in the construction of major production facilities.

The reason why the importance of economic relations with foreign nations has not been a major issue, despite its foreign dependence, is that it was able to maintain a stable economic cooperation under favorable terms with socialist nations including the former Soviet Union.

North Korea was allowed to pay to these socialist nations for fuel and raw materials, that could be bought only with hard currency from other nations, with its products, that have no international competitiveness.

From 1986 to 1990, under the system of exchange transaction, the former Soviet Union supplied North Korea with R6 billion worth of goods and raw materials: 3.2 million tons of petrochemical products, 3.6 million tons of coking coal, 1 million tons of cokes, and 12,500 tons of synthetic rubber.

Since 1991, however, the changes in the former Soviet Union and other Eastern European nations brought a fundamental change in economic relations with North Korea. The privilege that North Korea has been enjoying was deprived. The major change was a substantial reduction in import of raw materials and goods from the newly established independent nations of the former Soviet Union.

The import of crude oil was reduced from 409,000 tons in 1990 to 41,000 tons in 1991, coking coal from 665,000 tons to 117,000 tons, and cokes from 145,000 tons to 53,000 tons.

In particular, the supply of aluminum and synthetic rubber, which are indispensable items in the North Korean economy, has been discontinued. In May 1992, after the international meeting in Pyongyang discussing the Tuman River developmental project, Kim Tal-hyon acknowledged the serious economic hardship in North Korea in 1991. Kim attributed this economic difficulty to the collapse of the socialist markets.

The highest priority in the North Korean foreign policy is to seek "new donors." North Korea hopes that South Korea would be one of them.

Wage Policy

The average official wage in North Korea is between 90 and 110 won [W], which is the same as 10 to 15 years ago.

However, the wage varies substantially, depending upon the position. While low ranking officials earn W90, minister-level officials earn W300. Some professors earn W100 to W150, and others earn up to W250.

However, those who earn a higher salary do not necessarily maintain high living standards. It is required that 30 to 70 percent of their salary be saved in the bank. The right to withdraw savings is very limited. Workers, who made a noticeable contribution to the nation, can earn a special right to withdraw part of their savings from the bank as a reward.

South Korea

'Organization' Claims 21-25 Apr DPRK 'Riot'

SK1405092193 Seoul KBS-1 Radio Network in Korean 0600 GMT 14 May 93

[By correspondent Chon Yo-ok from Tokyo]

[Text] Approximately 30,000 North Korean workers, farmers, and fishermen rioted against the Kim Il-song hereditary system 21-25 April in areas near the Yalu River, centering around Sinuiju.

According to information provided by an underground organization in Yanbian and given to the Democratic Reunification Union, an anti-North Korean organization which is active in Tokyo, this was the first large-scale bloody riot that attempted to overthrow the North Korean hereditary system. It was different from previous riots of only several hundred people because of the food shortage.

When this riot started, Kim Chong-il, as supreme commander of the military, mobilized approximately 40,000 troops and cracked down on it for five days. Approximately 3,000 people were arrested, and 10,000 people fled into the mountains.

According to a relevant Democratic Reunification Union official, some command organization is believed to be behind the riot because 30,000 people participated in the riot. The 10,000 people who fled into the mountains may join political prisoners who had been detained in a concentration camp near the Yalu River, because North Korean troops lost a large number of weapons when it tried to stop the riot.

Therefore, the shooting at the DPRK-PRC border at the end of April happened because North Korean troops fired on Chinese soldiers who had gone there to look into the course of the riot, without trying to find out who they were. Four Chinese soldiers were killed.

Sources on North Korea in Tokyo determined that approximately 30,000 persons participated in the riot—the first riot against the North Korean hereditary system. In this respect, it has great significance for the future.

Reaction to DPRK Nuclear Issue Continues

NSP: 2-3 DPRK Nuclear Bombs by 1995

SK1405053993 Seoul YONHAP in English 0530 GMT 14 May 93

[Text] Seoul, May 14 (YONHAP)—North Korea is capable of possessing two to three nuclear bombs next year or in 1995 if its nuclear weapons development program is not stopped now, the Agency for National Security Planning [NSP] predicted Friday. The agency made the prediction in a report on North Korea to the National Assembly National Defense Committee.

North Korea's nuclear weapons would be a crucial factor for the security of northeast Asia, the agency said. Kim Chong-il, Son and heir to President Kim Il-song, put both the military and the Communist Party under his control by becoming chairman of the Workers' Party Central Military Commission in April but because of North Korea's sagging economy, manifest in a sharp decline in the supply of grain and a 40-percent factory operating rate, domestic unrest may occur following the death of Kim Il-song, the agency said.

In order to ease tension between the South and North resulting from the instability of the North Korean system and the nuclear issue, the agency recommended that South Korea solidify bilateral cooperation in the security field with the United States and raise the national strength and prestige abroad by actively taking part in United Nations peacekeeping operations. Although the possibility of a world war in the near future had diminished following the collapse of the cold war, the agency said, 11 of the 54 regional conflicts currently taking place occurred in the post-cold war period.

It was inevitable that the balance of power surrounding the Korean peninsula would shift because of rapid changes in the international political environment, the agency said. The agency also said the United States had

asked South Korea to increase its share of support for the U.S. troops stationed in this country 22 percent for the 1994 fiscal year.

DPRK To Negotiate New Inspections

SK1405003293 Seoul YONHAP in English 0021 GMT 14 May 93

[Text] Washington, May 13 (YONHAP)—North Korea plans to send a delegation to the International Atomic Energy Agency (IAEA) soon to negotiate the resumption of inspections on Pyongyang's atomic facilities, a North Korean diplomat told YONHAP on Thursday. Ho Chong, deputy chief of the North Korean mission to the United Nations, confirmed U.S. State Department comments that Pyongyang wants to resolve the nuclear problem, saying the comments were the results of North Korea-U.S. counselors' contacts in Beijing this and last week.

"We will soon send a delegation to discuss nuclear inspection with the IAEA. This will be in separate action to the three IAEA inspectors who have been allowed into North Korea," Ho said in a telephone interview. North Korea accepted six IAEA ad hoc inspections up to last January, when the agency started demanding access to two highly suspicious installations.

Pyongyang, in retaliation for the inspection demands, announced in March it was leaving the Nuclear Nonproliferation Treaty (NPT). U.S. State Department spokesman Richard Boucher told a regular briefing Thursday that North Koreans officials had been saying they wanted to resolve the situation.

Ho said the comments were the results of the counselors' contacts in Beijing on May 5 and 10. He called for inter-Korean dialogue in addition to North Korea-U.S. and North Korea-IAEA negotiations to help solve the nuclear problem.

Boucher welcomed North Korea's decision to admit IAEA inspectors, calling it "a positive development," but said it was not enough. "It falls far short of full compliance with the terms of North Korea's nuclear safeguards agreement with the IAEA as has been sought by the security council and the IAEA Board of Governors," he said.

DPRK Practices Nuclear Site Defense

SK1405100293 Seoul YONHAP in English 0827 GMT 14 May 93

[Text] Seoul, May 14 (YONHAP)—North Korea is thought to have conducted large-scale maneuvers with mechanized units around Yongbyon, Pakchon, Sunchon and Pyongyang at the end of last month, practicing to defend the areas in case foreign countries carry out military actions in connection with its decision to leave the Nuclear Nonproliferation Treaty. Mechanized units stationed near Chongju in North Pyongan Province moved to Pyongyang through Pakchon, Yongbyon and

Sunchon and then returned to their bases between April 26 and 28, an informed government source said Friday.

"The exercise seems to have been aimed at increasing readiness to counter missile attacks or infiltration by commando forces attacking the nuclear facilities or Pyongyang in preparation for the worst scenario that the United Nations Security Council might resolve to take military action against the North," the source said. North Korea seems to have beefed up its anti-aircraft artillery fortifications around the areas suspected of harboring nuclear facilities, he added.

Deputy Premier Considers Opening Talks

SK1405115093 Seoul YONHAP in English 1144 GMT 14 May 93

[Text] Seoul, May 14 (YONHAP)—Deputy Prime Minister Han Wan-sang hinted on Friday [14 May] that his office was considering proposing talks with North Korea. "The time has come for us to consider direct contact with North Korea to resolve North Korea's nuclear issues," Han said. He concurrently serves as national unification minister.

Meeting with reporters on Friday afternoon, Han said he would use the upcoming dialogue between the U.S. and North Korea as a "variable reference." He thus indicated that he would promote South-North talks regardless of the U.S.-North Korea dialogue. "You'd better take note of the fact that the recent resolution adopted by the U.N. Security Council contains a clause advising all member countries to join in efforts to get the nuclear question resolved," the deputy premier said.

Han said, however, that it is not clear whether the North would accept it even if the South proposed talks. "They are in the position that the nuclear question could be resolved only through direct talks with Washington," he said. Deputy Prime Minister Han also said there have been no secret contact or behind-the-scene talks with North Korea since North Korea announced withdrawal from the Nuclear Nonproliferation Treaty.

SRV Prime Minister Continues Visit to Seoul

Holds Talks With Kim Yong-sam

SK1405105593 Seoul YONHAP in English 1045 GMT 14 May 93

[Text] Seoul, May 14 (YONHAP)—President Kim Yong-sam met visiting Vietnamese Prime Minister Vo Van Kiet at Chongwadae Friday [14 May] to exchange opinions on ways to further promote bilateral friendly relations as well as on matters of common interest. President Kim expressed satisfaction at the steady promotion of trade and other cooperative relations between the two countries, promising Korea's continued cooperation in the economic development of Vietnam, Chongwadae spokesman Yi Kyong-chae said.

Prime Minister Kiet said he was deeply impressed at the successful economic development of Korea. "I pray that the reform policies President Kim has been promoting will end in every success with people's absolute support," Kiet said.

Meanwhile, Vietnamese Foreign Minister Nguyen Manh Cam, who was accompanying Kiet, had a meeting with his Korean counterpart, Minister Han Sung-chu, on Friday morning to discuss global situations and the question of promoting practical cooperative relations between Korea and Vietnam. A diplomatic source said that Minister Han also asked Vietnam to ease investment-related restrictions for Korean firms active in Vietnam and Minister Cam showed an affirmative response.

SRV Minister: No Korean POW's Remain

*SK1405082493 Seoul YONHAP in English 0730 GMT
14 May 93*

[Text] Seoul, May 14 (YONHAP)—Vietnam has no information on Korean prisoners from the Vietnam war but is willing to open an investigation if there is any evidence that there are POW's, visiting Foreign Minister Nguyen Manh Cam said Friday. "We have no information about Korean POWs in Vietnam," Cam told a news conference. "If anyone has any information about living Koreans in Vietnam, we welcome them to investigate the question."

The foreign minister, accompanying Prime Minister Vo Van Kiet on a four-day Seoul visit from Thursday, said that despite the unhappy past where South Korea fought for the other side during the Vietnam war, Hanoi overcame the memories to build fast-growing relations. A 50 million-U.S.-dollar loan from the Economic Development and Cooperation Fund (EDCF) would be spent on upgrading Vietnam's heavily damaged infrastructure, and a 100 million-dollar loan from the Export-Import Bank of Korea would be used to promote bilateral trade, cam said in stressing economic relations between the two countries.

Separate from this 150 million-dollar economic aid package, there was capital from companies for Korea-Vietnam ventures, Cam said. To further promote trade, the two countries agreed on early conclusion of a maritime pact and agreement on avoidance of double taxation. Seoul and Hanoi restored relations Dec. 22 that were severed in 1975. More than 4,500 of the 300,000 South Korean soldiers who fought in Vietnam were killed.

AMCHAM: U.S. Investment Moving From ROK to PRC

*SK1405030093 Seoul YONHAP in English 0143 GMT
14 May 93*

[Text] Seoul, May 14 (YONHAP)—American companies are giving up on their plans to invest in South Korea and turning to China because of Korea's complicated regulations, the American Chamber of Commerce (AMCHAM) in Korea says in a recent report.

General Motors Corp., Goodyear Tire and Rubber Co. and Dupont Co. have all abandoned plans to invest in Korea and are instead pouring 30 million U.S. dollars to 50 million dollars a day into China, AMCHAM says. Having agreed on a joint venture with a Korean firm to make special aluminum for aircraft, U.S. Alcoa Co. was poised to build a state-of-the-art factory at a cost of 37 million dollars, but was unable to pursue the plan because of regulations limiting the foreign stake in a defense company to give top priority to local firms. Cargill Trading Ltd. finally got government approval to set up a factory to process soybeans after four years but the government withdrew its approval after the press said the plant was a threat to Korea's agriculture industry, AMCHAM reports.

Foreign investment in Korea shrank 36 percent last year to 855 million dollars and outflow of investment funds due to break-ups of joint ventures jumped fivefold to 369 million dollars in 1992 from a year earlier.

Committee Approves Army Dispatch to Somalia

*SK1405013893 Seoul YONHAP in English 0051 GMT
14 May 93*

[Text] Seoul, May 14 (YONHAP)—The National Assembly foreign affairs and unification committee unanimously approved the dispatch of an Army Corps of Engineering unit to the United Nations peacekeeping operations in Somalia on Thursday. Defense Minister Kwon Yong-hae and Vice Foreign Minister Hong Sun-yong attended the committee session.

The resolution now goes to the full assembly for a vote. "We plan to dispatch the engineering unit as early as possible when the National Assembly approves it," Hong said.

Reaction to Anniversary of Kwangju Uprising

President Issues Statement

*SK1405014193 Seoul KBS-1 Television Network
in Korean 0830 GMT 13 May 93*

['Special Statement' by President Kim Yong-sam on the 1980 Kwangju Uprising, issued at the presidential office at Chongwadae on 13 May—live]

[Text] Fellow countrymen: Today, recalling the historic significance of the Kwangju democratization movement of May 1980, I would like to speak on the government measures to cure Kwangju's pain and restore its honor.

As the president, I extend, first of all, consolation to the victims of the 18 May Kwangju democratization movement, to their bereaved families and to Kwangju citizens.

The May 1980 democratization movement was indeed an enormous frustration at that time. However, viewing from the painful course in which we traversed toward civilian politics and democratization, the Kwangju democratization movement was one of the lofty peaks.

Indeed, the blood that Kwangju shed in May 1980 became the fertilizer for our country's democracy. Its sacrifice was for our nation's democracy.

Through the democratization movement in May 1980 and the resistance struggle in June 1987, we finally established a civilian democratic government on this land.

Dear fellow countrymen: During the time of grim 18 May Kwangju democratization movement, I protested directly against the authorities of military regime for the first time as the president of the opposition party.

Through a news conference, I informed the whole world of this tragic situation. For this, I had to suffer home arrest for over three years.

On 18 May 1983—the third anniversary of the Kwangju democratization movement—I began to wage a hunger struggle staking my life for 23 days during my home arrest. I did so because I wanted to recover lost democracy by keenly realizing the responsibility for the failure in preventing Kwangju blood.

Speaking clearly, our government of today is a democratic government standing on the extension of the Kwangju democratization movement. Our government is one that shares pains with Kwangju citizens for reinstatement of the Kwangju democratization movement, for restoration of its honor and for curing wounds and pains of that time.

The inauguration of the civilian government and its reform work are a process of realizing the historic significance of the Kwangju democratization movement.

The Kwangju issue should not be left as the sediment [angum] any longer. It should not be used for political purposes nor should it be the target of political disputes. The Kwangju democratization movement must be justly appraised and recorded in history.

I believe that Kwangju's pain must be cured and its honor must be restored. This work should be realized in the course of sharing Kwangju's pain by all fellow countrymen and of promoting the spirit of Kwangju democratization by the whole country in such a direction as to be desired by all Kwangju citizens and as to make all fellow countrymen feel sympathy.

First, I will actively support the work to commemorate the spirit of the 18 May Kwangju democratization movement and honor it.

I want to see Kwangju establish a commemorative day for the entire country to observe. I will extend necessary support so that the Mangwol-tong cemetery be made a sacred site of democracy and be expanded.

We will review measures to relocate the South Cholla provincial government, now in downtown Kwangju, in accordance with the will of the citizens of Kwangju and South Cholla Province, and to establish a park and set up a

monument to commemorate the 18 May Kwangju democratization movement at the site of the present provincial government—the spot of the democratization movement of that time. We will actively support the measures.

We will have Kwangju additionally use some of the land of Sangmundae free of charge so that a citizen's park be built.

Second, we will extend all possible effort and assistance to comfort the people who have been unjustly treated in connection with the Kwangju democratization movement.

For those who have not been compensated according to the law up to now among the dead, missing, and wounded, we will offer additional opportunities to report in.

We will completely erase the records of former crimes of those who were pardoned and reinstated after being detained or convicted. We will see to it that measures of support be reviewed so that their honor is recovered rightfully.

For those who were injured at that time and still require continued medical treatment, we will support them to enable them to receive continued medical treatment.

For those who are on the wanted list, we will officially nullify the list. We will actively review the reinstatement of those who were dismissed from their jobs.

We will take all possible reasonable steps within the framework of our legal system based on the principle of equality.

Dear fellow countrymen and Kwangju citizens: I know very well that there are calls for examining the truth of the Kwangju democratization movement and for punishment of the responsible persons. I also heard about the allegation that special steps be taken for such calls.

I think it is natural to present such assertions. I myself have constantly been in agony over these issues. However, examination of the truth of an incident is aimed at correcting the distorted historical record and at making a just judgement. This is not intended to revive the old confrontation by digging up the shame of the dark days nor to punish some people.

Accordingly, what is important at this point of time is for all fellow countrymen to further enhance the honor of the 18 May Kwangju democratization movement. If and when there was something unsatisfactory with regard to bringing to light the whole truth of the Kwangju uprising, I think it is reasonable to leave the matter to history. It is my firm conviction that truth is destined to be brought to light in history without fail.

I think now is the time to unbind the bandage of hatred and conflict precisely with the hands of all of us. Today, we should no longer adhere to retaliation and revenge.

I want to say that we should not forget the atrocities, but forgive them to achieve national reconciliation. There is no greater courage than to forgive them. By so doing we should be free from the nightmare that took place 13

years ago. Let us make a new start by sweeping out the nightmare and hatred so that we can embark on the wide road of creating a new Korea.

The spirit of the Kwangju democratization movement should be sublimated into the spirit of taking part in creating a new Korea. Kwangju citizens have already been willingly taking part in the road of change and reform toward creating a new Korea, and I like to extend my deep thanks and respect to Kwangju citizens for this.

I pledge once again that I and our government will offer all possible support and efforts so that Kwangju can make a new start as a bright city which will emit rays of light, as its name tells, and which will open the future of the fatherland, not a city which adheres only to the past.

As I promised before my people, I will concentrate all possible efforts on achieving not only reconciliation between the east and west region of the country, but also overall national reconciliation of the country.

I will pave the firm foundation for creating a new Korea without fail through change and reform. I will continue running at the forefront of the people with a spirit of achieving the national foundation again. I want to achieve this task together with Kwangju citizens who have made a new start.

Let us pool strength together to create a new Korea. Thus, let's build a fatherland in which our next generations can take pride and dignity in having been born there.

Kwangju Supports Kim's Declaration

SK1405091193 Seoul YONHAP in English 0654 GMT
14 May 93

[Text] Seoul, May 14 (YONHAP)—More than half the citizens of Kwangju regard Thursday's presidential declaration on the 1980 democratization movement in the city as a positive sign and say it will help solve problems remaining from the movement, a poll said Friday. They also demand an immediate and thorough investigation into the incident and punishment of whoever ordered troops to open fire on civilians, according to a poll by World Research of 300 Kwangju citizens over 20 years old on Thursday [13 May] evening.

The poll said 58.8 percent positively evaluate the president's declaration. But 83.8 percent said they want a thorough investigation and the punishment of those responsible for the bloodshed. Asked about a presidential solution that stresses healing the pain of the movement and full restoration of honor for victims, 47 percent say "it is not enough but the president has done his utmost" and 11.8 percent say "it is the best solution."

With regard to a presidential appeal that urges the citizens not to forget the agony of the movement and to forgive those responsible, 76.1 percent showed a sympathetic response. And 81.4 percent said they have confidence in the president's will to reform.

Kwangju Leader: Measures 'Not Sufficient'

SK1305142893 Seoul YONHAP in English 1148 GMT
13 May 93

[Text] Kwangju, May 13 (YONHAP)—A leader of a Kwangju uprising association said here on Thursday evening that the measures announced by President Kim Yong-sam earlier in the day to cope with the aftermath of the 1980 Kwangju incident were not sufficient largely because they lacked the intent of unearthing facts about the tragedy. Chong Tong-nyon, chairman of the May 18 Kwangju popular uprising association, said in a press conference that the decision to leave the task of determining facts about the incident to the history indicates that "the incumbent administration's intent of resolving the Kwangju incident is not strong enough."

"There should be at least the manifestation of the determination on the part of the civilian-led administration to look into the truth of the incident," he said. Chong himself drew death sentence in connection with the case of "sedition by Kim Tae-chung" before he was freed in 1982 with the suspension of the execution of sentence.

"Determination of facts about the incident and the punishment of assailants are prerequisite to genuine national reconciliation," said Chong, adding that these steps are necessary if only to correctly establish the national history. Chong said he thinks the steps disclosed by the president are far from being a basic resolution. "But, I would like to believe there would be various follow-up measures shortly," he said.

Ministry To Purge Participants' Records

SK1305123793 Seoul YONHAP in English 1115 GMT
13 May 93

[Text] Seoul, May 13 (YONHAP)—The Justice Ministry plans to obliterate very shortly the ex-convict records of 423 persons who were arrested and found guilty for their part in the Kwangju democratization movement of Aug. 18, 1980.

The ministry will also remove from the wanted list the 16 persons who have been sought in connection with the Kwangju uprising.

A ministry official said on Thursday the steps will be in line with President Kim Yong-sam's announcement earlier in the day to, among other steps, restore the honor of those arrested for their roles in the Kwangju incident.

Among those whose ex-convict records would be erased will be Rep. Chong Sang-yong of the opposition Democratic Party who was sentenced to life imprisonment for his participation in the uprising as a company employee before he was freed with the suspension of the execution of sentence in 1982.

The 16 persons who will no longer be wanted will include Yun Han-pong who is said to have escaped arrest by smuggling himself abroad and is now reportedly staying in the U.S. The 15 others are all unidentified persons.

DP Urges Reconsideration of Measures*SK1305122793 Seoul YONHAP in English 1035 GMT
13 May 93*

[Text] Seoul, May 13 (YONHAP)—The opposition Democratic Party [DP] urged the government on Thursday to reconsider the measures which the government had just announced to cope with the aftermath of the Kwangju incident. Pak Chi-won, party spokesman, said, "We were disappointed at the government measures which basically make no difference from those set forth by the previous administration."

He said his party cannot tolerate the "irresponsible decision" to leave the most crucial matter—determining facts about the Kwangju incident—to the history. "We again stress that there can be no resolution of the incident without shedding light on facts about the incident," Pak said.

He suggested that a special Kwangju incident committee be set up at the National Assembly to find out facts about the incident and a special law be legislated to restore the honor of those punished for their role in the incident.

"The government should also consider punishing those responsible for the Kwangju tragedy in the light of national reconciliation," the spokesman said.

Rep. Chong Sang-yong, secretary of the DP's special Kwangju incident committee, said there should be investigation first to determine the person who first ordered firing, the command channel of the troops sent to Kwangju at that time and the extent of casualties and damages of the incident.

Dissident, Student Groups To Rally*SK1405030293 Seoul YONHAP in English 0138 GMT
14 May 93*

[Text] Seoul, May 14 (YONHAP)—Dissident and student groups say they will stage massive rallies across Korea on the anniversary of the Kwangju Democratization Movement May 18 to call for the government to uncover the truth about the movement and punish those who were responsible for the army's firing on participants. President Kim Yong-sam announced Thursday that his government would take steps to restore the honor of the demonstrators, over 100 of whom were killed while protesting the imposition of martial law in May 1980.

The National Police Administration has issued permits for large rallies organized by Chonkukyonhap (the National Alliance for Democracy and Unification) on Saturday in Seoul and major provincial cities. Such rallies were banned under previous governments. Chonkukyonhap says it expects 3,000 people at its rally in Tongsung-tong, Seoul, to observe the uprising and to demand an investigation and punishment of those who suppressed it. The participants are scheduled to march to Tapgol Park in central Seoul after the rally. Rallies are also scheduled for Pusan, Taegu and other major cities.

College and university students belonging to Hanchongnyon (the National Council of University Student Unions) have declared May 15- 22 a commemorative week and plan a variety of events including photo exhibitions. Namchongnyon, the southern chapter of Hanchongnyon, meanwhile, says its members will carry out raids on residences of former presidents Chon Tu-hwan and No Tae-u to arrest them for themselves if the government fails to take "appropriate" action.

Minister: 12 Dec Lawsuits To Be Handled Legally*SK1405110193 Seoul YONHAP in English 0943 GMT
14 May 93*

[Text] Seoul, May 14 (YONHAP)—Justice Minister Kim Tu-hui said on Friday that lawsuits entered against those responsible for the December 12, 1979 incident will be duly and strictly handled according to legal procedures. Minister Kim made the remarks in a reply to questions posed by legislators at the National Assembly Judiciary Committee.

Two lawsuits were filed at the prosecution on Thursday against former Presidents Chon Tu-hwan and No Tae-u for their role in the bizarre 1979 incident. President Kim Yong-sam on Thursday described the event as an "incident of the nature of coup d'etat."

Minister Kim said that one of the two lawsuits, entered by To Ho-ki, chairman of the Democratic Party's Chilgok chapter, will be transferred to the Seoul district prosecutor's office so that it could be handled together with the one entered by a Seoulite, Kim Su-yong. Also testifying at the Judiciary Committee, Defense Minister Kwon Yong-hae said he was not in a position to say whether legal actions ought to be taken against those responsible for the December 12 incident. "The incident was a rather grave political incident different from a mere case of insubordination," Kwon said.

Lawmakers of the opposition Democratic Party asked the government if it was not willing to punish former Army officers involved in the December 12 incident. Reps. Yi Won-hyong, Kang Su-rim and Kang Chol-sun said at the Judiciary Committee that as President Kim said the December 12 incident was of the nature of coup d'etat, this is a time when a historical definition should be made of the incident and express legal actions taken against those responsible.

They asked the government to give the names of those general-grade officers who took part in the December 12 coup d'etat and are still in the active duty. "Is the government willing to punish them on charges of rebellion?" one of the opposition lawmakers asked. They also demanded the revelation of the names of those senior officers who resisted the coup d'etat forces and were later court-martialed for that action. "Can we have the list of the details of the legal actions taken against them for not siding with the rebel forces during the December 12 incident?" one of the legislators said.

Brunei, Malaysia & Singapore

Singapore

Banks Expand Operations in PRC

BK1305133193 Singapore THE STRAITS TIMES
in English 13 May 93 p 36

[Text] Spearheading the drive by Singapore banks to expand into the China market, two Big Four local banks—OCBC [Overseas Chinese Banking Corporation] Bank and Overseas Union Bank [OUB]—have been given the green light to set up branches in the northern port city of Tianjin and Shenzhen respectively.

Making a passing reference to the establishment of the new Chinese branches by the two banks, China's top central banker, Mr. Li Guixian, yesterday said that two of the nine representative offices operated by Singapore banks in China have "agreed to be upgraded to branches soon."

Although he did not name the banks concerned, it was later learnt that the two banks were OCBC and OUB.

In his speech to a packed audience at the Institute of Banking and Finance auditorium, he noted that the five Singapore banks—DBS [Development Bank of Singapore], OCBC, OUB, United Overseas Bank, and Tat Lee Bank—are among the 70-odd foreign banks and insurance companies with business operations in China.

Promising "equal treatment" for foreign financial institutions, he welcomed them to set up operations in China as financial reforms widen.

For OCBC, the proposed Tianjin branch will be its third branch in China after Shanghai and Xiamen where the bank has been operating even before the present communist regime took over in 1949.

The set-up of the Tianjin branch will make OCBC one of the biggest foreign banks operating in China in terms of number of branches. This is because other foreign banks, which are mostly newcomers to the financial scene there, operate representative offices.

Its broking subsidiary, OCBC Securities, is one of two Singapore securities houses—the other being Ong & Company—which had only earlier this week clinched a coveted seat on the Shanghai Stock Exchange.

Currently, only two other foreign banks—Standard Chartered Bank and Hongkong Bank—are believed to have bigger operations in China in terms of number of branches.

OUB, which currently operates two representative offices—one in Beijing and another in Shenzhen—is upgrading the Shenzhen office to a branch. It has also submitted an application for a branch in Shanghai.

Among the other Singapore banks, both DBS Bank and Tat Lee Bank have a representative office each in Beijing.

United Overseas Bank, the remaining Big Four bank, operates one branch in Xiamen and has applied to set up branches in Shanghai and Guangzhou.

During his speech, Mr. Li also touched on the need for the four major state-owned banks in China to evolve gradually into full-fledged commercial banks dictated by market forces.

He also set the free convertibility of the renminbi into foreign currencies as the goal of China's financial reforms, developing in the process an interbank market for borrowing.

Companies Plan Joint Ventures in Suzhou, PRC

BK1305140893 Singapore THE STRAITS TIMES
in English 13 May 93 p 39

[Text] Suzhou—Three Singapore companies, including government-linked Pidemco Land and listed developer Lum Chang Holdings, have signed memoranda of understanding of agreement for joint venture projects with Suzhou.

Pidemco Land and a Hong Kong-based company plan to join a Suzhou tourism development body to build a resort on the shores of China's third largest lake.

The resort fronting Taihu (Tai Lake) to the west of here will include villas and leisure facilities. The resort properties will be put on sale in Singapore, Hong Kong, Taiwan, and Suzhou, said Pidemco's chairman, Dr. Hong Hai, yesterday.

A memorandum of understanding has been signed between the parties.

Dr. Hong Hai told The STRAITS TIMES that the resort would eventually spread over 5 sq km although work will start on a one-sq km tract. He would not disclose the size of the investment.

Pidemco's Hong Kong partner is one of the many outfits under the Hong Kong-based China Travel Group of companies. Together, these two will hold the controlling interest in the Taihu project.

Their Chinese partner is the Suzhou Taihu National Tourism Vacation Zone Development Corporation, the only body of its kind to be granted powers by China's State Council to run a state vacation area.

Dr. Hong Hai said that the area around Taihu would be a major resort playground serving the hinterlands of Suzhou, Shanghai, and Wuxi.

"As incomes of these people go up, there will be a demand for these resort facilities," he said.

The other two Singapore companies separately signed letters of intent yesterday for joint-venture projects in Suzhou. The first will see the Suzhou Municipal Administration of Tourism partnering Singapore's Lum Chang Holdings to jointly develop tourist facilities in the city.

The centrepiece of the joint venture is a businessman's hotel with convention rooms, business centre, and recreation amenities. It will also develop a golf course in the proposed Suzhou East industrial township.

Under the proposed second venture - Singapore Polymer Corporation, an associate company of DBS [Development Bank of Singapore], is planning to tie up with Suzhou Huasu Company to produce polyvinyl chloride (PVC) compound.

The two are planning to set up an estimated U.S. \$5 million (S [Singapore] \$8.10 million) plant to produce 12,000 tonnes of PVC compound annually. These will be used by industries like housing and construction, wire and cable for household and automotive packaging, footwear, and toys.

Cambodia

Khieu Samphan Issues Statement on Election

BK1405014693 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 13 May 93

["Statement by His Excellency Khieu Samphan, chairman of the PDK, rejecting the deceitful UNTAC election to destroy the Cambodian nation and supporting the national reconciliation plan of Prince Norodom Sihanouk"; place not given; dated 14 May —recorded]

[Text] Greetings to the clergy and compatriots inside and outside the country, including those in Phnom Penh: Everyone now sees that UNTAC's [UN Transitional Authority in Cambodia] election is just a theatrical farce to legitimize the puppet regime, Vietnam's lackey, and through this, legitimize Vietnam's occupation and annexation of Cambodia forever. This is killing the present Cambodian nation and rendering it into a second Kampuchea Kraom [former Cambodian territory now part of southern Vietnam].

1. This theatrical farce is staged at a time when the number of Vietnamese aggressor forces, both old and new—which Vietnam has brought to Cambodia following the 23 October 1991 Paris agreement—has increased to nearly 3 million; they are all over Cambodia. Among these, 1.7 million have been given Cambodian identity cards and have registered for UNTAC's election.

2. This election farce is being staged in a situation in which there is no neutral political atmosphere whatsoever. Vietnam and its puppets and lackeys have created and intensified political terrorism to murder the Cambodian people and members of various political parties at will.

3. This election farce is staged at a time when insecurity reigns in Cambodia. It is this insecurity that has caused 60 UNTAC election personnel to resign; more are resigning.

4. In Siem Reap, Kompong Thom, Preah Vihear, Battambang, Kompong Speu, Kompong Cham, Oddar Meanchey,

and Kampot, the people, Cambodian soldiers, and militiamen have revolted and destroyed military commands of Vietnam's puppets, provincial and district offices, and other levels of offices of Vietnam's puppets. Following these revolts, the majority of the people have fled from these provincial seats and townships.

By simply recalling these events briefly, it can be seen that the elections cannot be held. Akashi and other UNTAC leaders have also acknowledged that conditions for organizing proper elections in Cambodia do not exist at present. However, Akashi and these UNTAC leaders have added that despite this, the elections should be held. Therefore, the UNTAC election is just a stinking theatrical farce staged only to legitimize the puppets and traitors to the nation and the Vietnamese aggressors.

As for the results of the election, it has been predetermined that Vietnam's puppets will get between 70 and 80 percent of the votes, with the remaining votes distributed among various parties. This will be paraded as democracy, freedom, and so on. The Party of Democratic Kampuchea [PDK], like the entire Cambodian nation and people, categorically rejects this theatrical farce to destroy the Cambodian nation and also categorically rejects the predetermined result of this election. This farce to destroy the Cambodian nation will not bring peace to Cambodia; it is staged in order to kindle war. Old and new Vietnamese aggressor forces continue to wage a war of aggression to occupy Cambodia and continue to commit fascist activities to murder the Cambodian nation and plunder and skin the Cambodian nation and people.

This stinking election farce is the final step by UNTAC and its allies inside and outside UNTAC to trample the 23 October 1991 Paris agreement and to destroy Cambodia's peace, independence, and national reconciliation. This election farce staged by UNTAC and allies inside and outside UNTAC is a great crime against the Cambodian nation and people. It is an act killing the Cambodian nation and people. It is a flagrant and shameless violation of international law and the UN Charter. Therefore, the entire Cambodian nation and people, like peace- and justice-loving countries and people the world over, cannot accept it. They oppose this stinking UNTAC election to destroy the Cambodian nation and people.

What is the best way to solve the Cambodian problem? In such a situation, there is only one way to solve the problem—that is, the national reconciliation plan of Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council. The prince put forward this proposal in his statement dated 1 March 1993.

The PDK, in cooperation with our entire Cambodian nation and people, has braved all obstacles to do all it can to assist the plan of Prince Norodom Sihanouk, head of state, so that the Cambodian nation can survive and not die like Kampuchea Kraom.

Japanese Delegation Arrives To Discuss Situation

*OW1405112993 Tokyo KYODO in English 1114 GMT
14 May 93*

[Text] Phnom Penh, May 14 KYODO—A six-member Japanese Government delegation arrived in Phnom Penh on Friday for talks with United Nations officials about the safety of Japanese policemen serving for the U.N. Transitional Authority in Cambodia (UNTAC).

The group is led by the secretary general of Japan's peacekeeping operations office, Shunji Yanai. It comprises officials from the Foreign Ministry and National Police Agency.

The sending of the mission follows the slaying of a Japanese policeman.

Last week, Home Affairs Minister Keijiro Murata visited Phnom Penh and asked UNTAC head Yasushi Akashi to relocate Japanese police officers to safer areas and tighten arrangements for their security.

The government mission and UNTAC officials will discuss such measures as Akashi promised Murata he would consider the requests, Japanese officials said.

Since last autumn, Japan has sent to Cambodia a 75-member police force and a 600-member engineering team from the Self-Defense Forces (SDF).

One of the policemen, Haruyuki Takata, 33, was killed in an ambush on May 3, and in April a Japanese U.N. volunteer was gunned down.

The mission and the UNTAC will also discuss preparations for 41 Japanese election monitors for the May 23-28 Cambodian general elections. The monitors are expected to be assigned Sunday through Tuesday [23-25 May] to polling stations in Takeo Province, where the SDF engineering team is deployed.

The officials will also discuss how to use the 1 million dollars Japan pledged to help the U.N. peacekeeping mission tighten safety measures.

Ranariddh Rejects Khmer Rouge Role in Coalition

*BR1205135193 Brussels LE SOIR in French
8-9 May 93 p 4*

[Interview with Norodom Ranariddh, leader of FUNCINPEC, United National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia, by Pierre-Julien Quiers in Phnom Penh; date not given: "On Pre-election Cambodia]

[Text] [Quiers] You are the son of Prince Sihanouk and leader of the main opposition party, the FUNCINPEC [United National Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. There is a lot of tension in Cambodia in the run-up to the general election, scheduled to take place between 23 and 27 May. Are you confident about your prospects of victory at the polls?

[Ranariddh] First of all, the elections have to be as free as possible. Should this be the case, then you merely have to see the crowds that turn up at my meetings.

[Quiers] Do you think that the elections will be held in a fair manner?

[Ranariddh] With 20 days before the elections, there no longer can be any question of having fair, neutral elections. This is because, on the one hand, the Cambodian factions—especially the SOC [State of Cambodia] (the government currently in power, which was installed by the Vietnamese in 1979) and the Khmer Rouge—have not been disarmed, as planned in the peace agreements, and because, on the other hand, intimidation, political violence, and assassinations of members of the opposition—and of FUNCINPEC in particular—are continuing. A total of 17 members of my party have been killed since the start of the month, and 43 overall since the onset of the peace process.

[Quiers] Will you pull out of the electoral process because of this?

[Ranariddh] No, because we signed the Paris agreements and because the people want to participate in these elections and determine the fate of Cambodia.

[Quiers] How do you propose to solve the "Khmer Rouge" problem?

[Ranariddh] If I win, I will restore power to my father. And we will say to the Khmer Rouge: "You did not participate in the elections because of your assertion that they would not be free, due to the presence of Vietnamese on Cambodian territory. However, if the FUNCINPEC wins the election, will you say that it has been elected by the Vietnamese? Moreover, if Sihanouk is elected, we will resolve the Vietnamese problem diplomatically and politically with the Vietnamese Government." What can they say to that?

[Quiers] Nevertheless, if you win, do you intend to include the Khmer Rouge and the SOC in a government of reconciliation?

[Ranariddh] The Khmer Rouge are rejecting the peace plan. I believe that we would be betraying the wishes of the Cambodian people if we included them in a coalition. As for the SOC, which is committing fresh acts of violence and intimidation every day, how could we possibly include them? However, we have not ruled out the possibility of including administrators, technicians, soldiers, and even ministers, not all of whom are on the take.

[Quiers] What will be your response if the SOC scores a major victory?

[Ranariddh] In that event, the SOC will physically annihilate the FUNCINPEC.

[Quiers] Would you then join the guerrilla forces?

[Ranariddh] Do you think that we would allow ourselves to be killed!?

Paper Views Khmer Rouge Postelection Prospects

*BK1405043493 Bangkok BANGKOK POST in English
14 May 93 p 5*

[Article by Jacques Bakaert under the rubric "Cambodia Diary": "Shaping their own destiny"]

[Text] Phnom Penh—"The time will come when the new legitimate government of Cambodia will have to do something drastic about the Khmer Rouge," said Phnom Penh Foreign Minister Hor Namhong. "But for such action, the support of the population is essential." Indeed! Few Cambodians were cheered by the news that a Khmer Rouge unit had attacked Siem Reap. But many people openly expressed their contempt for the local authorities when the Khmer Rouge took over Siem Reap airport for a few hours.

"They knew the situation was tense, that security was not good, but all they care is to make money," one Phnom Penh official said about his colleagues in Siem Reap. People may not like the Khmer Rouge, but they have little respect for corrupt officials either.

If elections are held because they represent a fundamental step towards Cambodia's recovery, it will be essential for the elected government to get its priorities right. Cambodia needs a "social democrat" type of government, one that will put a strong emphasis on social priorities and concentrate on rural development. Not the kind of free-for-all capitalism practised these days.

One has to beat the Khmer Rouge at their own game. They claim to be the sole defenders of the poor, the sole guarantors of Cambodia's territorial integrity and its very survival. They certainly benefit from the corruption and incompetence of many members of the State of Cambodia (SOC), and they have only contempt for their former Resistance allies. The future world described by Pol Pot in several speeches made available by defectors between 1986 and 1992 is a deeply agrarian society in which the poor peasants are the only true Khmer patriots, those who will defend the soil of Cambodia. The other side of the coin is that the poor uneducated peasants are less likely to challenge the ideas of the leadership. And the preservation of the *Partie of Democratic Kampuchea* (PDK) is an absolute priority of the organisation.

The Khmer Rouge leadership knows that the future of the PDK is at stake. Even with the new weapons it recently received—which by the way represents a serious breach of the Paris Peace agreement of 1991—the National Army of Democratic Kampuchea (NADK) cannot win a military victory. It is unlikely that the PDK will succeed in disrupting the elections. If the results of the elections are firmly recognised by the international community and accepted by all factions, the Khmer Rouge will find themselves in a complicated position.

"If they are granted a couple of positions in the new government is there any guarantee that they will not want more?" said Vietnamese Deputy Foreign Minister Tran Quang Co during a recent conversation with this writer in Hanoi.

Most observers are now convinced that nothing short of full power will satisfy Pol Pot and his comrades. As Prince Sihanouk told us recently, "The Khmer Rouge leadership will never forgive the Phnom Penh faction or Vietnam for their humiliating defeat in 1979."

The Khmer Rouge leaders are convinced that UNTAC [UN Transitional Authority in Cambodia] is nothing but a huge machine to eliminate them from the scene, that the Cambodian People's Party (in which so many officials at all levels are former Khmer Rouge) is just a puppet of Hanoi and that the new government could very well launch an offensive against the NADK strongholds. Feeling very lonely, they could be compelled to take desperate, bloody action.

Various sources in Phnom Penh believe that Beijing is keeping its distance from the PDK. "If China is interested in a role...in Cambodia, and she is, then she could choose better partners, friends with a brighter future," said a Western ambassador.

And how far is Thailand ready to risk international condemnation by providing some assistance or facilities to the Khmer Rouge?

"One of the first tasks of the new government should be to talk seriously with Bangkok about the Khmer Rouge problem. It should clearly explain to Thailand that there is no future in the Khmer Rouge movement, that it would be much more profitable to side clearly with the new legitimate government of Cambodia," said a senior Phnom Penh official.

In recent years the Khmer Rouge leaders have gone to great lengths to pay homage and respect to Prince Norodom Sihanouk. But for all their use of the Royal language in the presence of the Prince, it does not seem that their views of the man considered by the world as the symbol of Khmer patriotism are especially flattering.

Here is Pol Pot describing the Prince, identified only as "21", to a gathering of "Revolutionary Women" in a famous speech delivered in 1988: "In the past as in the present and in the future, '21' is more than 90 per cent paranoid due to all sorts of hedonism, corruption, financial malfeasance and debauchery and hooliganism."

Even the most determined republicans have never accused Sihanouk of being corrupt. Should the Khmer Rouge prevail, Prince Sihanouk could very well find himself once again under some kind of house arrest. Or at least with nothing more than a figurehead role.

Cambodia needs a better government to diminish the potential appeal of the Khmer Rouge among the poor

and some intellectuals. The new government must urgently tackle the question of Vietnamese settlers in Cambodia.

Ieng Muli was right when he told us that it is important to deal once and for all with every aspect of the problem "because the Khmer Rouge use this pretext to stay out of the Paris agreement. To solve the Vietnamese issue is one of the keys to solve the Khmer Rouge problem."

Violence is not the correct answer, and practically all Cambodian factions and Hanoi agree that negotiations should take place between the legitimate governments of both countries. Some high-ranking members of the Cambodian People's Armed Forces (CPAF) believe they could attack and defeat the Khmer Rouge in the near future. Their optimism is not shared by many observers, who noted that the much more formidable Vietnamese army was unable to wipe out the NADK. Most CPAF soldiers, even those belonging to regiments which receive bags of riels along with their ammunition, are not exactly eager to go back to war. They want peace and a chance to survive.

The Khmer Rouge will not go away in a few months. But they are probably not as powerful as some people tended to believe until recently. They were able to operate in most provinces, but most of the time at a very low level. An UNTAC military source who visited some NADK camps was surprised by the extreme poverty of most soldiers, the lack of proper food and the absence of medicine. They recently regrouped a lot of their forces, which means they had to call back a lot of their small teams spread around the country. But it is the Cambodians themselves who will make a difference. It is doubtful that they want another experience in radicalism. They want peace, and they should make sure that their leaders know what they want. It is part of the great learning process—something called democratisation.

Hun Sen Discusses Issues in Interview

*BK1305124393 Phnom Penh PHNOM PENH POST
in English 7-20 May 93 pp 1, 3, 4*

[Text] Prime Minister Hun Sen recently took a break from his hectic campaign schedule to talk to the POST's Kevin Barrington. Looking relaxed and confident, Hun Sen spoke of the likelihood of his party's victory at the polls, of the possibilities of forming a coalition government and of the so-called "government of national reconciliation". He defended the Cambodian People's Party [CPP] against accusations of corruption and politically motivated violence. He also aired his views on the problems presented by the Khmer Rouge and he expressed a strong fear that the international community would continue to recognize the radical faction as well as his newly governing party if it wins the election.

[Barrington] How do you see your party faring in the forthcoming elections?

[Hun Sen] I don't have the habit of selling the bear's skin before killing the bear. But, let's say, we are confident. The confidence is the result of the three week's electoral campaign. People have expressed more support for our party. The rallies have had 40,000 to 80,000 supporters. No one forces them to come. But they want to come just to listen and see me. We are quite confident that we will win.

[Barrington] Do you feel you could get a majority of seats in the constituent assembly?

[Hun Sen] We need an absolute majority and we feel confident that we can master this majority. We will exert efforts to get a comfortable majority in order to draw up the constitution. According to opinion polls we will get maybe 70 percent of the vote.

We have noticed that the people have started to have more confidence and more trust in us. What's more we are not just talking and we are not going to run away and abandon the people. This is very important because the people were fooled in the past by people with empty promises who ran away and abandoned the people in difficult situations. During the most difficult period of the people's lives, only the CPP stayed with them.

People also see that I am telling the truth. And if I am wrong, I dare to apologize. During my eight years as prime minister people realize that there has been an improvement in their standard of living.

[Barrington] But throughout the country one hears widespread accusations about the corruption in your party and amongst a number of its officials...

[Hun Sen] First let me share a joke. One newspaper published an article the other day saying, in all the 20 political parties, there are corrupt people. Therefore they wanted to form an association of corrupt people. Another person, also joking with me, suggested an international association of corrupt people. Because, around the world, no single country can claim to be clean from corruption, even very advanced countries.

They [political parties] always use this issue I remember when Prince Sihanouk was overthrown, the accusations against him were the corruption of his regime and his pro-Vietnam stance. When they overthrew the Lon Nol regime, they blamed Lon Nol for corruption and also for his pro-U.S. position. Of course, I am not referring to the Pol Pot regime because they went too far, even beyond corruption into genocide.

Now the same sorts of accusation are being thrown at me. In their election campaign, they say that the Hun Sen government is corrupt, that it is pro-Vietnam. But who makes these accusations? The same people who worked for Prince Sihanouk in the past, who worked for Lon Nol and who sometimes joined forces with the Khmer Rouge.

That's why I say that the people who make the accusation are old time corrupt people. And my government is very newly corrupt.

However, I also recognize there is corruption in my country and I personally have fought against it. But I have to face a lot of problems because of different factors.

First, there's the situation of warfare. In any country engulfed in warfare. In any country engulfed in war, corruption is difficult to control. Secondly, I have had to introduce economic reforms. It is not at all easy to make reforms from an old to a new situation. In the new stage we are not yet in a comfortable situation or a lawful environment.

And, talking about the privatization of the economy and enterprise, we do not have a sufficient legal framework. So, of course, opportunistic people take advantage of this situation.

Since 1991, however, we have taken three measures to control the situation. The first one is to issue new legal frameworks for the sake of control. The second was to replace officials who were corrupt or incompetent with new ones. Thirdly, we have been using the support of the masses in order to reveal acts of corruption amongst the officials. So the local population helps us in revealing the face of corruption.

If my party wins the election, I will continue to implement these three measures. And perhaps I will add another measure that I have mentioned during my campaign. This involves changing the attitude of government officials. All government officials have to change their mentality from being people exercising power to being the servants, the ones who sustain and support the production activities of all economic life. And all economic players must also change their mentality to perform their duties in a way that contributes to economic development.

So, I am not just repeating a slogan like the other political parties talking about corruption, but without any concrete measures.

[Barrington] Mr. Akashi recently made a statement in which he criticized CPP for utilizing the resources of the state for party political gain. What do you have to say about this?

[Hun Sen] One day after his statement, I had a meeting with Mr. Akashi on Apr. 22. I told him that those officials who are engaged in political campaigning have been asked to resign temporarily for two months without pay. With regard to materials, vehicles and fuel for instance we are using our party's resources. And as for the army and the police force, I think the situation is normal. It is their duty to provide security and protection for me. They also provide security for other political parties as well. After their daily work they can support any other political party; it is their political right.

I also told Mr. Akashi, "Please look the other way around also, not just look at Hun Sen." You have to look into the money which FUNCINPEC [National United

Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] gets from the export of timber. If the revenues from the logging were used to buy TV stations, radios or even planes, this is wrong. This is not the revenue of the party but of the state. They use this money to buy, I don't know how many thousands of cars here. Also we should not overlook the problem of some FUNCINPEC generals who are standing as candidates. These generals are still enjoying their salaries.

[Barrington] Some people feel that the elections will not be legitimate if a considerable number of people are disenfranchised due to security concerns. How do you feel about this issue?

[Hun Sen] I warned UNTAC [UN Transitional Authority in Cambodia] of an emergency situation, that the Khmer Rouge would disrupt the elections. But my views were not sufficiently taken into consideration. Right now everyone seems to be very scared, too scared from my point of view. Of course, the Khmer Rouge will try to disrupt the elections. But it's not just a question of the Khmer Rouge's ability. It depends also on our ability and efforts to stop them.

The Khmer Rouge's intention is not only to disrupt the election but in fact, to take over the whole country. However, over the past 14 years they could not prevail over our forces, the forces of the Cambodian people.

I think we should not set too low a level of turnout in these elections. After all the efforts, how can we accept only 50 to 60 percent of the voters casting their vote? I think that we should target between 90 and 100 percent voter turnout. I believe that we can achieve this. Because I believe that the Khmer Rouge do not have the complete free hand to disrupt. We have the means and the people to prevent them from doing so.

I am also pleased that UNTAC has set up the mobile teams for the election. But in anticipation (of disruptions) UNTAC should extend the election for a few more days. Now we have only six days, we can extend it to eight or ten days in order to have all the voters cast their vote, because the population very much wants to cast their vote. If only 50 or 60 percent of voters come out to vote, this would not really represent the true result of the election. So why not a few more days? We have been preparing it for two years already.

Apart from the Khmer Rouge, there are a few more political parties who might also not want to recognize the elections. And if only 50 or 60 percent turn out, this could be used by the losing parties as an argument that the election was not fair and democratic and they might not recognize the results. Therefore they must not be given this opportunity.

Also, on this subject, there are concerns that there might be election rigging. Therefore we should not give the chance to any party to argue this. In this election UNTAC is the one responsible for the control and transport of the ballot boxes. That's why I told Mr.

Austin that they should accept the request made by the other political parties to allow their representatives to keep watch over the ballot boxes during the night and during transportation. We very much want that all the political parties to recognize these elections as fair and democratic.

[Barrington] What is your assessment of the Khmer Rouge's current strategy?

[Hun Sen] Right now the Khmer Rouge have their main objective and another in reserve. The main objective is to destroy, at all costs, the election process. They have no interest in allowing the election to proceed smoothly because it will place the Khmer Rouge as outlaws.

Therefore, they will stage military attacks, economic sabotage, terrorism and will try to persuade their allies to boycott the election or to drop out. But in case they cannot achieve this, they have another objective in reserve. After the elections they will issue a statement not to recognize the election results. Therefore they will continue to harass the new government by military and economic sabotage. You can notice that Mr. Khieu Samphan objected to the World Bank loan even knowing that the money would only arrive after the election.

[Barrington] There has been much talk of a government of national reconciliation. How would you view this in light of a CPP victory?

[Hun Sen] I would like to speak in concrete terms and not just refer to reconciliation, reconciliation, all the time without concrete measures, so that's why I ask "what do you mean by reconciliation?" But the answer I always get is reconciliation. But for reconciliation, first of all we have the Paris agreement and this is the auspices under which all the parties, all the factions must work together. You cannot do anything that goes beyond the agreement that everyone has signed.

Now would you accept that we blame the Paris agreement, we blame the U.N. Security Council, we blame all the 20 political parties that are taking part in the process? Or should we blame only the Khmer Rouge who have not implemented the provisions of the Paris agreement and have decided to withdraw from the peace process.

The constitution which comes from the new government after the general elections will create the auspices under which all the political parties should work together. The Khmer Rouge have already declared their objection to the elections.

Therefore, I believe that they are not going to stay under the auspices of the new constitution.

So we will certainly have problems between the group of political parties under the auspices of the constitution and the Khmer Rouge who will then be isolated. But this is a very dangerous situation for Cambodia, and if we are not careful it might lead to splitting Cambodia in two.

The 20 parties must recognize the new constitution as the result of the common endeavor and respect it. And the one party which has abandoned the process must be regarded as an outlaw.

The international community must recognize the new government that comes out of the elections. They cannot afford to recognize two parties, the new government and the Khmer Rouge. That would be tantamount to recognition of the partitioning of Cambodia.

In principle the newly-elected government, which represents the sovereignty of the country, cannot afford to control only 80 or 90 percent of the territory. The government must control all of the territory. So in concrete terms, if there is some fighting it will not be called a civil war. It will be a kind of fighting between the insurgent forces and the newly recognized government, like the situation which prevailed some years ago in Thailand and Malaysia. We will take steps by economic or by other means to win over the Khmer Rouge or the people under the Khmer Rouge.

[Barrington] But what happens if FUNCINPEC ends up in power and they draw a constitution that gives Prince Sihanouk the powers he desires and the prince then invites the Khmer Rouge into the so-called national reconciliation government?

[Hun Sen] Well, I wouldn't like to comment at the moment. Because at that time it would be the right of the winning party to do whatever it wants. But if it dares to take such an action, it will also have to accept the responsibility for that action. I don't want to make any comment about that party supposedly winning.

[Barrington] Prince Sihanouk has been the major proponent of a government of national reconciliation. What role do you therefore envisage for the prince, if CPP wins?

[Hun Sen] As far as we are concerned we continue to regard Prince Sihanouk as having a very important role before and after the elections. After the new government has been set up, there will certainly be arrangements for a presidential election. And I feel Prince Sihanouk should be elected president. CPP has no presidential candidate.

[Barrington] Given that the Khmer Rouge have made a mockery of the peace process and given that their behaviour has not come as a surprise to you, do you feel angry at the international community in general and China and America in particular for insisting that the Khmer Rouge be included in the peace process?

[Hun Sen] Well, I am not angry at anyone at all because there was a need for a political solution. I am only a little disappointed that despite our understanding and the efforts of the international community, the Khmer Rouge continue their madness. And the question is that no one has taken action against this madness.

You may notice that the Khmer Rouge have started all over again their genocide—compare what they have

done so far to the U.N. convention on the prevention and the punishment of the crimes of genocide.

Every day the Cambodian people have been victims of the Khmer Rouge attacks, and UNTAC staff also have been victims of the Khmer Rouge. But, so far no one has given any consideration on how to prevent these violent acts by the Khmer Rouge.

In some instances we were forced to use our right of self-defense to protect the population and in order to protect the lives of UNTAC. But in doing so we were blamed for taking this action and were accused of being equally responsible for ceasefire violations.

I am more disappointed that some people believe that by behaving in a more flexible way towards the Khmer Rouge, they hope to bring peace back to Cambodia. They did not dare to condemn, to blame the Khmer Rouge. And yet they went as far as to accuse me of being too severe, or harsh, towards the Khmer Rouge. They did not dare to blame the Khmer Rouge for their past crimes just because of the need for peace and national reconciliation. But at least we must have the courage to blame the Khmer Rouge for the recent acts of violence and genocide. Given all this, I'm a bit worried that after the election they would recognize the newly elected government and at the same time they will continue to recognize the existence of the Khmer Rouge. And this is very dangerous for our people. This would lead to the splitting up of Cambodia.

[Barrington] On the subject of violence, your party has been accused of murdering political opponents, and FUNCINPEC claims that the orders for these politically motivated attacks come from the top, from what they call the parallel government consisting of such figures as Chea Sim, Sar Kheng, Sin Song, etc. How do you respond to these accusations?

[Hun Sen] We have been victimized by this kind of situation being painted by other parties over the last four or five months. Now the situation is very clear. Now I am waiting for UNTAC to cooperate with us in order to investigate acts of violence which have been committed by FUNCINPEC and the Khmer Rouge. Now we have at our disposal enough evidence that people of the rank of general and colonel committed the crimes.

I sent a letter to Akashi, and then a few days ago, I personally met him and asked him to pursue this investigation. Perhaps you have noticed that since we have evidence of these crimes the number of acts of violence has been reduced.

If they throw hand grenades into their own political offices and blame this on us, what can we do? So, right now we have a lot of evidence and quite a number of witnesses.

If UNTAC fails to take action, we will take action ourselves and issue arrest warrants. You may interview three former FUNCINPEC generals who committed

these crimes. [PHNOM PENH POST note] [Uch Kiman, Hun Sen's spokesman, described the three as Gen. Kan Rat, Gen. Su Kimsun and Gen. Kim Hang]

FUNCINPEC creates a story from nothing. They just fabricate a story, write a report and lodge a complaint with UNTAC just to make an accusation against us. And according to revelations made by a former party representative in Phnom Penh, FUNCINPEC has already infiltrated about 800 trained agents into a number of provinces and among them there are quite a number of Khmer Rouge agents. I am one of the targets of their attacks.

[Barrington] So FUNCINPEC has 800 infiltrators, who also have been infiltrated by Khmer Rouge agents, and they are out to assassinate you?

[Hun Sen] Yes. I am a target of assassination. This has been confirmed by a FUNCINPEC general, Gen. Kan Rat. He also confirmed that there have been some attempts at assassinating CPP leaders.

[Barrington] So is a coalition with FUNCINPEC out of the question?

[Hun Sen] What we need is honesty and sincerity towards one another. If they recognize their mistakes and if they do not make an alliance with the Khmer Rouge to commit terrorist attacks and economic sabotage, of course we would understand and our doors are always open. But we are not only thinking in terms of the possibilities of coalition with FUNCINPEC or any of the other big parties. So far there may be two thirds of all the 20 parties who might be in a position to cooperate with us. Even a political party with not a single seat in the National Assembly we might invite that party to come with us, if they would like to.

Coalition is comparable to a husband and wife. Now if both of you want to sleep in the same bed then you have to have cooperation.

If you don't agree with each other you cannot cooperate. It would be very dangerous if you sleep in the same bed with someone who tries to stab you in the back, just like FUNCINPEC has been doing during the past year.

[Barrington] Most of the problems facing the peace process have been created by the Cambodian parties and the Khmer Rouge in particular, but where do you think that UNTAC has gone wrong?

[Hun Sen] Everyone of us realizes that all problems so far have been created by the Khmer Rouge. They have not implemented the Paris agreements. We should not blame UNTAC for this problem. Because UNTAC has been performing its duty according to its mandate. The mandate was not to fight but to maintain peace.

But UNTAC has not deployed enough of its forces.

For instance when UNAMIC [UN Advanced Mission in Cambodia] was there and then later on a number of

deployments might have been made in a number of places. [sentence as printed] Also, after the U.N. Security Resolution mandating UNTAC to deploy the checkpoints along all the borders with neighboring countries to stop the trading of oil or the exporting of gems, UNTAC has failed to implement this.

So far UNTAC has been able to exercise its mandate on our party which is implementing the Paris agreements. And in some cases, UNTAC overreacted using their rights to undertake criminal inquiries and using their helicopters to raid our district offices. But so far UNTAC has not exercised these kinds of courageous acts when it comes to KR zones or deploying checkpoints along the Thai Cambodian border. However, I understand the problems that Mr. Akashi and UNTAC have faced. But they should not make use of the understanding that I have shown in order to go beyond what we accepted. I told Mr. Akashi this.

Hun Sen Addresses Ponhea Krek Voters 11 May

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Kampuchea Radio Network in Cambodian 1300 GMT
11 May 93*

[Speech by Hun Sen, vice chairman of the Cambodian People's Party Central Committee and chairman of the State of Cambodia's Council of Ministers, at a rally in Popel village in Ponhea Krek District of Kompong Cham Province on 11 May—recorded]

[Text] Greetings to the clergy and all grandparents, uncles, aunts, brothers and sisters, and all compatriots for whom I have the deepest affection, respect, and thoughtful sentiments. Today, I am extremely pleased to be able to return to Ponhea Krek District after my last visit a few months ago. At this meeting I do not think that I will have anything new to inform to the compatriots. However, a political party just claimed on radio that on the eve of elections, the people's deputies or party leaders always depart on a visit, but after the polls they will remain in silence.

It is true that this happened in the era of the samdech [Prince Sihanouk]. [passage indistinct] In my constituency, party leaders were seen only before election time. After that, they completely disappeared in the middle of the night. But for the Cambodian People's Party [CPP], as the compatriots have been aware for 14 years, its visit to this locality is not something new. The visit is not new for Heng Samrin, Chea Sim, and myself, in any case.

I have visited this locality several times and so have Heng Samrin and Chea Sim. Apparently, I do not come to this area only before the elections. I came to this locality in the past few years when there were no elections, now I come here again, and I will continue to come here in the future. I do not come here just at election time. In recent years, Ponhea Krek District has received a great deal of assistance from the CPP and the government in building schools, monasteries, or other public installations. That being the case, we are far different

from the other political parties which are only boasting about their endeavors. They are very skillful at making rhetorical statements of their energetic efforts. But at the time when millions of Cambodians (?were killed), they kept their mouths completely shut. Now they are beginning to again keep mum about the destruction jointly committed by the Khmer Rouge and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. It was only the CPP that joined our people all over the country in rising up to liberate the motherland from the yoke of the genocidal Pol Pot regime. And it is only the CPP that has shared weal and woe and joined forces with the people to rebuild the motherland thus far.

Availing myself of this opportunity, I would like to thank the compatriots who came from various villages in this district. I am also told that some compatriots have come from (?Kompong Trabek) District as well. Thank you very much. Anyway, I would like to thank the clergy and compatriots, including Cambodians and Muslims, for rendering support to the CPP and the government of the State of Cambodia [SOC] while they pursued the task of toppling the genocidal Pol Pot regime, preventing the regime's return, rebuilding the country, and seeking peace. I would also like to thank a number of grandparents, uncles, and aunts for helping me between 1970 and 1975. I was very well looked after by our compatriots when I took refuge in villages. I can never forget these good deeds. Thank you very much. Without the assistance, support, compassion, and love, I do not know what I would have become. And especially during the Pol Pot time, without assistance from the people I would never have been able to join other patriots to successfully set the people free. Many people used to give me a massage when I did not feel well, treat me when I was sick, and sustain me. I can never forget the compatriots at [words indistinct] S'am, (Chi Treang), Ang Chup, Kampi, Sang Khya, Pralean, Tuol Mkak, and so on who helped me. To show my gratitude, I never do anything against those who have trusted and loved me. Also the confidence and affection are a source of encouragement to me to continue my historic task.

On this same occasion, I would like to convey the deepest respectful appreciation from His Excellency Heng Samrin and Chea Sim for the efforts displayed by the clergy, grandfathers, grandmothers, and compatriots over the past more than 14 years for our survival and development, both material and moral. And I, myself, would also like to express my best wishes to all of you on this new year. May the new year bring you longevity, high social standing, happiness, zealous physical strength, and enlightenment. [applause]

I am sure that all of you have already listened to my speeches. Some of our compatriots have even requested a replay of those speeches. However, I just want to tell you that the upcoming elections are not a normal event. The polls are aimed at changing a political system. I believe you have already heard statements made by various party leaders on radio and television. Those

people, including the famous Prince Ranariddh of the FUNCINPEC party, always claim that they will rebuild Cambodia. Wasn't Cambodia already rebuilt during the Pol Pot era? The polpotists claimed that they would rebuild and make Cambodia more glorious than it had been in the Angkor era. [words indistinct] I still smell their stench.

So we must be very careful with the issue of reconstruction of Cambodia. It is fine if we just renovate our old localities [words indistinct], we will restore National Route 7 and 15 and link them with National Route 13 in Ratanakiri, Mondolkiri, Stung Treng, and Kratie Provinces. However, it is hard to rebuild something that we have already demolished. As such, if they advocate the (?revision of property ownership), a war of ownership will definitely break out all over Cambodia. It is impossible to act on the revision. It will be very dangerous [words indistinct]. Will the occupants of the houses [words indistinct] accept the eviction by the former owners? It is likely that no one will agree. So what will happen then? House occupants and house owners will certainly attack one another. [Passage indistinct].

That being the case, the compatriots are urged to weigh the matter very carefully. If the CPP loses, a war of ownership will unquestionably erupt; and I will no longer be in a position to protect you because I will have totally lost political, military, [word indistinct], and administrative power. Perhaps at that time, I would be unable to even protect myself since I and Heng Samrin and Chea Sim have assiduously been sought after. You compatriots have to be very careful about making your judgment.

What I want to emphasize is that the upcoming elections are not a normal issue. Their substance is to change a political regime. [passage indistinct] The main goal of the other political parties is to revise the issue of property ownership, because they have never talked about the Khmer Rouge problem. Listening to the radio yesterday and the day before, I heard no political party expressed its view on the question of the Khmer Rouge, who are massacring the people at present. So what should we do? They talk about (?human rights), [words indistinct], but they have not uttered a single word about the killing of a countless number of people. Do they deserve to be an individual or a party awarded with a diploma in democracy and human rights? [passage indistinct] Genuine democracy and human rights can only exist if the people are effectively protected from the great danger of genocide as well as various acts of violence. [passage indistinct] Where are human rights organizations? [passage indistinct] At present, those human rights organizations appear blind to the destructive actions committed by the Khmer Rouge.

I would like to make it clear that if the elections concerned only the change of people's deputies, district chiefs, provincial governors, or prime minister, I would not stand as a candidate—of course, I will never relinquish the CPP, that has sustained my existence and developed (?my capability) to serve the people; I will never abandon the party. [passage indistinct] Since the

substance of the elections is not only for the change of people's deputies but the whole political system [words indistinct]. Therefore, Mr. Heng Samrin, Mr. Chea Sim, I, and other officials, young and old alike, are duty-bound to take part in the polls together.

This is a vitally important issue that the compatriots should carefully consider. (?What will happen to all of us) if the regime is changed? Remember, dangers occurred when the samdech's regime was transformed into Lon Nol's, then the Lon Nol's regime into the Khmer Rouge's. We strove to put an end to the Polpotist regime in order to establish the new regime under which we are living at present. And even though it is still not absolutely perfect, the regime has survived and developed.

In the districts of Tbong Khmum, Ponhea Krek, Memot, [words indistinct], only National Route 7 is still not as good as it was in the era of the Sangkum Reas Niyum or the samdech [words indistinct]. However now, we have more houses, schools, bicycles, motorbikes, cattle, television sets, radio sets, watches, and jewelry than in the samdech's era, let alone the Polpotist heyday. Between 1940 and 1970, most people did not have a motorbike, but after 14 years from empty hands they now own motorbikes, bicycles, television sets [words indistinct]. In the samdech's era, how many television sets did the people living along National Route 7 have? [passage indistinct] It would be a little exaggerated (?if we said there were less houses in the samdech's era than the present). But it is undeniably apparent that now there are more motorbikes, bicycles, cars, radio sets, and other things. The only thing that is still not better is National Route 7—the restoration of that national route which has already begun will be completed very soon. [passage indistinct]

Come what may, what we should strive to do now is to hold the elections with a view to preventing—to do this you should vote for the CPP—the return of the genocidal Pol Pot regime. Voting for the CPP, the people will be able to prevent the legal property, that they have built up over more than 14 years, from being seized as it was in the case of the period between 1975 and 1978; voting for the CPP is to guarantee our occupation, freedom [words indistinct]; voting for the CPP is to enable the CPP to lead the country toward ever-increasing prosperity. We have the potential to do this. We are able to make headway with our administrative structure, military and police forces, and other possibilities. Voting for the CPP is to vote for yourselves. And if we take into consideration the past, voting for the CPP is to vote for those who have saved us from the genocidal regime—many compatriots have said that (?the CPP) is the woman who gave us a rebirth. Voting for the CPP is to vote for those who have protected and helped us to survive over the past 14 years and more. Voting for the CPP is to vote for a party that has participated in making the country and each family prosperous. [passage indistinct] Now the biggest problem is that the return of the genocidal regime has not yet been prevented once and for all.

FUNCINPEC is none other than Pol Pot. The compatriots must never get confused. Yesterday the Voice of America made a report saying that FUNCINPEC was in cahoots with the Khmer Rouge at Ampil. My suspicion of their complicity is based on two points, although [words indistinct].

First, FUNCINPEC attacked the forces loyal to General Kim Hang, Gen. Kan Rat, and Gen. Su Kimsun. When these three generals defected [words indistinct] attacked the forces loyal to Prince Norodom Chakkrapong, who was trying to bring them close to our zones. This was my first point of suspicion. Another point was that [words indistinct] a number of FUNCINPEC units under the command of the aforesaid generals were not happy with the Khmer Rouge. And lately the Khmer Rouge have also harassed them in return. Sometimes these forces also fought back. This is the issue that we must [word indistinct].

Concerning the grenade-launching accidents, concerning the case in Siem Reap [words indistinct] in which FUNCINPEC elements colluded with the Khmer Rouge in the attack on Siem Reap city. We have to make arrests. We are not going to exonerate them, we are going to arrest them [passage indistinct] taking it as excuse to pull out of the electoral process. The proof is irrefutable. I am greatly disturbed and badly upset. [words indistinct] my life, I was badly duped by Prince Norodom Ranariddh. I deplore his action of colluding with the Khmer Rouge and stabbing the people in the back. I have discovered the truth through the confession of the truly patriotic generals who have crossed over to our side. Without their revelation, serious damage would have been done. The people would surely condemn Hun Sen for being responsible for all the acts of sabotage against the nation.

For the sake of national reconciliation and in order to set the mind of His Royal Highness Prince Norodom Sihanouk at rest, I worked out a joint statement and an agreement with FUNCINPEC to be signed by myself and Prince Norodom Ranariddh. That agreement was made for the sole purpose of realizing national reconciliation and [words indistinct]. I never thought that the prince could have done that to the Cambodian people and to me. Moreover, I am by nature an straightforward man and I am good to anyone who is good to me [passage indistinct] they set up armed groups, took advantage of my goodwill, and abused the sincerity of the CPP in order to subvert the nation.

I avail myself of this occasion to ask forgiveness from CPP members and from the compatriots who have been victims of the base acts of Prince Ranariddh and FUNCINPEC members [words indistinct] of Hun Sen. I [words indistinct] in negotiating for peace in Cambodia and national reconciliation, but I never thought of the base acts [words indistinct]. I regret all of that. Fortunately, we knew about it first and managed to save the situation. I again and again thank the three generals [words indistinct] for crossing over and helping us save

the situation in time, thus leading many of our people to turn away from FUNCINPEC [words indistinct] gave FUNCINPEC considerable support. Now the lives of these generals are under threat [words indistinct], but I am happy [passage indistinct]. This is what we call statesmen to whom I would like to express my utmost gratitude.

Currently, I am [words indistinct] several other generals who are [words indistinct] of Prince Ranariddh. These generals have [words indistinct] in order to leave FUNCINPEC and join the CPP. Unfortunately, so far I have not received any more words from these generals. I would like to make this appeal: If Prince Ranariddh is courageous and really upholds democracy as he has often claimed, [words indistinct] I do not know what polling provinces these generals will be assigned to run as candidates in the elections but they are still [words indistinct] at Rumchang and some others still in Thai territory; the prince must allow them to make their own political choice and let them appear before the voters in places where the prince registered their names with UNTAC. [words indistinct] for these generals and UNTAC must [words indistinct] so that their lives are safe. If the prince is courageous and really adheres to democracy, he should let them come to their polling provinces so that the voters can see their faces before the elections.

Now [words indistinct] a number of candidates [words indistinct]. Why? The prince is afraid that once these generals arrive they might abandon his party and join the CPP instead. It is a sordid act of a politician who boasts of being democratic-minded. [words indistinct] all compatriots and all venerable monks can be aware of such [words indistinct]. This is what I want to tell you. It represents a great danger for our country. [words indistinct] Gen. Kim Hang is here for you to ask. Gen. Su Kimsun and Gen. Kan Rat also would tell you the same thing—that voting for FUNCINPEC is tantamount to voting for the Khmer Rouge. Moreover, there are now many Khmer Rouge candidates in the provinces, not just in Kompong Cham. There is a candidate in Kompong Ley [words indistinct] and now his name appears in Kompong Cham. What are you folks in Kompong Cham going to do about that? He is the commander of regiment [word indistinct], Division 920. His name is Sok Sa-em. He is now a candidate in Kompong Cham. How can this happen? So, that is the Khmer Rouge tactics of seizing power under the label of FUNCINPEC.

I would like to thank the compatriots of [name indistinct] village, [name indistinct] commune who have sent me letters supporting my statement and also confirming that in my statement at Prek Russei they did not hear me asking Vietnam to return to Cambodia at all, an allegation for which I am taking Son Sann to court.

Yes, I am bringing a lawsuit against Son Sann. [words indistinct] now FUNCINPEC is going around making this publicity. I would like to make all that clear to all

compatriots throughout the country. Here is this letter addressed to me that I would like now to read in full:

Mr. Chairman, please help clarify these two points:

First, when and where will overseas Cambodians go to the polls? Will the polling inside and outside the country take place simultaneously? Or will overseas Cambodians go to the polls first? I ask this because a FUNCINPEC member has said that the polls abroad have already taken place, with FUNCINPEC winning 56 percent of the votes, In Tam 10 percent, and the CPP only (?4) percent.

Second, FUNCINPEC members have contended in their propaganda that Hun Sen closed the ferry to prevent the people on the eastern bank from attending the campaign rally of Prince Ranariddh when he spoke in Kompong Cham city.

[words indistinct] however, what is this tactic for? It is a tactic to sabotage the elections. They have claimed that FUNCINPEC has won 56 percent of the votes abroad. I would like to inform the compatriots, not only in Ponhea Krek District but throughout the country, in order to make it impossible for FUNCINPEC to ever again commit such a despicable act of lying to the people [words indistinct] in many places.

Concerning the overseas Cambodians, the electoral law allows [words indistinct] to serve the nation correctly and to avoid possible foreign influence on representatives or ministers of our country. If you are politicians you must play politics to the hilt. In gambling terms, you should place your bets on the numbers to get the jackpot and not just bet on the colors. Politicians should not let themselves be influenced by any foreign country. Even the U.S. Constitution would not allow U.S. citizens to vote in other countries. If you obtain U.S. citizenship you should renounce other citizenships. If you are a U.S. citizen you have no right to vote in another country. However, it is strange that the U.S. Government has turned a blind eye to this matter. I do not criticize it, but I just want to mention that the U.S. Government has closed its eyes and behaved in a way contrary to the U.S. Constitution. Under the U.S. Constitution, even if I am a Cambodian, I become a Cambodian-American citizen in the U.S. I know this because I am a former foreign minister and I am a prime minister. Before I went to the United States, I studied the U.S. Constitution. I can say that the U.S. Government is closing its eyes to some persons who are running for election as Cambodian representatives without renouncing their U.S. citizenship.

Nevertheless, the CPP also closes its eyes to this matter and recognizes the dual citizenship of our overseas compatriots. We understand that our compatriots have gone abroad not of their own volition; they have gone abroad because [word indistinct], because of the Pol Pot regime. It was not a good sight to see them fleeing the country in fear. However, we congratulate them for making it abroad. On the legal basis that dual citizenship is permitted, all Cambodians abroad have the right to vote in the election. However, do not forget this: the

electoral law stipulates that the polling station is open outside the country only for voters who have registered in the country; anyone who have not come to the country to register for voting does not have the right to vote. This is what the electoral law has decreed.

To my knowledge, there are three polling stations: one at the UN headquarters in New York City, another at the UNESCO headquarters in Paris, and the third in [words indistinct] in Australia. Maybe there are other places that I do not know. But these three places are certain. The qualification of the voters is that they must come to the country for registration before going back and polling abroad. Those in Canada must take a plane to poll in New York City or in France. Those in Japan must fly to poll in Australia. This does not mean that all overseas Cambodians have the right to vote. To vote they must register first. Without registering they cannot vote.

This does not only apply to overseas Cambodians. Any Cambodians in the country who have not registered their names with UNTAC cannot vote at all. [passage indistinct] if you have no registration card you cannot vote; you can cast only tendered ballots, which will be discarded. It would be a waste of time if you do not have registration cards. These tendered ballots are counted, but only the ballots of voters who have lost their cards will be valid. Anyone who has not registered will have his tendered ballots burned, discarded.

Regarding Cambodians living abroad, according to my estimate, no more than 2,000 of them have registered. This is because not everybody has enough money to come and register. There are no more than 2,000 of them who could come. This is not enough to get them even a single seat, for one seat requires 40,000 votes. Therefore, only 2,000 overseas Cambodians can vote in New York, Paris, and Australia. So, a number of them will vote in the country and the rest will vote outside the country.

When will they poll? They will poll from 23 to 25 May and if it is in a mobile polling station they will poll from 23 to 28 May, the same as in the country. Therefore, I would like to urge the prince leader of FUNCINPEC and all FUNCINPEC members to stop deceiving the people through dishonest propaganda tricks. They should understand that [words indistinct]. Not only is Hun Sen implementing the Paris Accords, but he is the one who helped prepare these accords. SNC [Supreme National Council] is the initiative of the CPP and SOC. It was set up in 1990 but we proposed it in 1988. Therefore, stop deceiving the people. The CPP is different from other parties.

It is thanks to this party that all negotiations and all accords have been possible. You must know Hun Sen very well. If you do not, please study his biography. If you still do not know him well, go and ask his highness [Sihanouk]. The first talk was between Hun Sen and his highness. All statements with his highness were written by Hun Sen for his highness to approve. When his highness read statements written by Hun Sen, he always praised Hun Sen for writing well. Yes, both of us

benefited from that good writing. So, you can attack any other parties, but never the CPP. [passage indistinct] they love to go around lying to the people.

Now let us talk about the alleged closing of the ferry. Who has ever closed the ferry on the Mekong River? The ferry boats have to shuttle between the banks. They sail slowly, unlike the prince's plane. The ferry boats will not leave port if they are not fully loaded. This is to save on fuel. [passage indistinct] in Kompong Som and Battambang and they claimed that the Hun Sen government had prevented FUNCINPEC from bringing in aid in terms of dollars, cloth, and medicines to be distributed to the people. Can you believe that? They said Hun Sen had blocked the aid and refused to let it be distributed to the people. The compatriots are invited to go to Kompong Som. Take everything that you see belonging to FUNCINPEC. Please go to Neak Loeung and take everything that belongs to FUNCINPEC. The truth is FUNCINPEC has nothing but Chinese aid. The Chinese-aided cloth that they got they have distributed in Rumchang and Ampil. They have not distributed it to the people in their propaganda campaign. I have already spoken about that. We have obtained half of the Chinese aid in rice while the other half in cloth went to FUNCINPEC. I do not know how many meters of cloth they received. FUNCINPEC has money. But as Mr. Yang Sem said, the prince does not dare [words indistinct] because he knows he will lose. Why should he [words indistinct] if he knows he is going to lose? He thus leave it to some of his members to [passage indistinct].

They owe money everywhere, \$200, \$300, or \$500 each. Maybe you will have to wait until the next life to get your money back. And they boast about getting foreign aid. Let me tell you, there will be no such foreign aid. I am a head of state and I have to negotiate with very many international organizations in order to arrange conferences on aid. Aid will never be given to party leaders for them to distribute to the members at a rate of \$200 each. It is for the reconstruction of the Chrouy Changva bridge, Route 7, railroads, and for the construction of this or that school. Do not entertain any hope that it will reach the pocket of party members.

A certain party banks heavily on the promised \$880 million. Let me tell you about this \$880 million. If the CPP wins, it will come to us quickly because we already have [words indistinct], banks, and [words indistinct]. I am not boasting. We have already worked that out. The director-generals of the UNDP or UN Development Program, other foreign organizations, and UNESCO whenever they come to Phnom Penh always seek Hun Sen out for discussion. Hun Sen is holding this project in his hand. Do not believe that party which keeps boasting about the \$880 million. Virtually everybody banks on that money. Only the CPP can deliver. Now, look at the Chrouy Changva bridge. The project is being implemented with the SOC alone. We are providing everything necessary, such as workers and the working site. Japan gives the money, but it needs workers, specialists [passage indistinct].

Go and see where their party offices are. Go and take everything. If they say it is in Kompong Som, go to Kompong Som and take everything. Stop them from deceiving the people. It is true that FUNCINPEC has taken in a considerable amount of dollars and baht. But these are fake dollars and baht. The government and the National Bank have already made an announcement about that. More than 300 million fake baht have entered Cambodia. [UNTAC head] Akashi and Thailand are having a big headache because of the printing of fake baht. These fake baht are in the hands of FUNCINPEC members and the members of the opposition parties. There are also many fake dollars brought in to undermine our economy, to undermine the dollar economy, in other words, to destroy the people. They have caused the riel currency to lose its value by using that fake money to buy off the riel and then flood the market with the riel. Those who are left with the fake baht and dollars in their hands are the true victims and ultimately the whole country is falling victim to that despicable act. People get the dollars but when they want to spend them they cannot do so. The people thus are the ones who get hurt. This is what we call the lowliest act by the political parties. They are walking on mountains of the people's skeletons and wading through rivers of the people's blood in their search for power.

There are many problems that we must resolve. Where is FUNCINPEC going now? [words indistinct] they are even insulting UNTAC by telling the people that UNTAC is ready to steal votes for them. [words indistinct] now he is showing his true colors. He knows he is going to lose and he is making preparations to return to his home abroad. If he goes, he will be finished this time. After the elections, no one will support him any more.

I would like to appeal to all parties. The CPP is not implementing any retaliatory policy, any policy that would force losers to flee abroad. We will never do that. The CPP rallies people from all political tendencies for national reconstruction, with the exception of the Khmer Rouge. This is because the Khmer Rouge do not respect the new constitution and the government born out of the elections. However, saying that does not mean that we reject all Khmer Rouge. Anyone who breaks rank with the Khmer Rouge and returns to the national community will get our sympathy and support. As for the chief murderers, who do not respect anything [words indistinct] most of the Khmer Rouge are innocent; they are used to killing their enemy; they are used to attacking the people. If they refused, they would be killed themselves.

For this reason, we understand their plight, and consequently, since 1981-82, we have pursued our policy of clemency. And this policy of clemency has been used [words indistinct]. Thus, concerning the question of robberies, they have recruited the robbers as their party members and used them to rob and kill their own people.

That is all I want to make clear today. I have to beg your pardon; now it is going to be as at other places. All right, as at other places, let me ask you, venerable ones and

compatriots, whom are you going to cast your ballots for? Are you going to give your ballots to the CPP, to Heng Samrin-Chea Sim-Hun Sen? Please raise your hands and let us see how many votes we will get? Please raise them higher for me to see how many votes I will get? All of you? Well, thank you very much.

Therefore, this is a great encouragement for me to continue my work, about which I have already spoken to you. The CPP still has a historic mission to carry out, that is: first, to prevent the return of the genocidal Pol Pot regime; second, to maintain the present state of ownership and prevent anyone seizing ownership, which would generate a very dangerous ownership war; and third, to lead the country toward progress and prosperity along the road that we have followed, making up for shortcomings and improving on past achievements so that the country can develop further and have genuine democracy and true human rights on the basis of a strong law respected by all—the poor, the rich, the meek, and the mighty alike—so that equality, justice, and democracy reign in our society. [applause]

Long live the CPP! [applause and cheers]

Laos

Reportage on PRC Defense Minister's Visit

Chi Haotian Visits Infantry Unit

BK1405080993 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 14 May 93

[Text] Last Wednesday morning, 12 May, Comrade General Chi Haotian, state councillor and national defense minister of the PRC, and his delegation visited officers and men of infantry Unit A-2 in Vientiane. Accompanying Gen. Chi Haotian and the delegation were Comrade Lieutenant General Ai Souli-gnaseng, deputy minister of national defense and head of the Army General Staff Department, and a number of high-ranking officers. Comrade Huang Guocai, ambassador extraordinary and plenipotentiary, and Comrade Colonel Li Laichen, military attache of the PRC to Laos, also accompanied the delegation on its visit to the infantry unit.

Upon their arrival at the unit, Comrade Gen. Chi Haotian and the delegation were accorded a warm and cordial welcome in an atmosphere of affection and solidarity by officers and men of the infantry unit. During the visit, Comrade Gen. Chi Haotian and the delegation viewed various combat exercises such as shooting with live ammunition, performed by officers and men of the infantry unit.

On this occasion, Comrade Gen. Chi Haotian admired and hailed the efficient performance of all the officers and men. He also wished them good health and success in fulfilling their tasks.

On the morning of the same day, Comrade Gen. Chi Haotian and his delegation also went sightseeing and visited various places of cultural and historic significance, such as the That Louang Pagoda, in Vientiane.

Defense Ministry Hosts Banquet 12 May

BK1405084393 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 14 May 93

[Text] On the evening of 12 May, the National Defense Ministry organized a farewell banquet, at the Lan Xang Hotel in the capital, Vientiane, for Comrade General Chi Haotian, state councillor and national defense minister of the PRC, and his delegation, following their official friendship visit to the Lao People's Democratic Republic [LPDR]. Attending the farewell banquet for Comrade Gen. Chi Haotian and his delegation on this occasion were Comrade Lieutenant General Choummali Saignason, minister of national defense; Comrade Oudom Khatthi-gna, mayor of Vientiane municipality; Comrade Lieutenant General Ai Souli-gnaseng, deputy minister of national defense and chief of the Army General Staff Department; and Comrade Lieutenant General Siphon Phalikhan, deputy minister of national defense and chief of the Army General Political Department; along with comrade members of the Party Central Committee and a number of high-ranking officers concerned. Comrade Huang Guocai, ambassador extraordinary and plenipotentiary of the PRC to Laos, also attended.

At the banquet, Comrade Lt. Gen. Choummali Saignason, on behalf of the cadres, officers, and men in the entire Lao People's Army [LPA], delivered a speech conveying his best wishes and sincere greetings to Comrade Gen. Chi Haotian and his delegation. He wholeheartedly hailed the success of their official friendship visit to the LPDR, noting that the visit marked a very significant milestone contributing to increasingly enhancing and strengthening the traditional relations of friendship between the two nations and the two armies of Laos and China.

On this occasion, Comrade Oudom Khatthi-gna also valued and hailed the success of the visit to Laos by Comrade Gen. Chi Haotian and the delegation. He wished them a good trip back home. The farewell banquet proceeded in an atmosphere of profound friendship from beginning to end.

Chi Haotian Ends Visit 13 May

BK1305143193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 13 May 93

[Text] This morning at the meeting hall of the National Defense Ministry, a grand meeting was held to hail the visit to Laos by General Chi Haotian, PRC state councillor and national defense minister, and his delegation. A large number of cadres and combatants attached to the National Defense Ministry attended the meeting.

Attending the meeting were Lieutenant General Choummali Saignason, Political Bureau member of the Lao

People's Revolutionary Party [LPRP] Central Committee and national defense minister; deputy national defense ministers; high-ranking military officers accompanying Gen. Chi Haotian; and Ambassador Huang Guocai, PRC ambassador extraordinary and plenipotentiary to Laos.

At the meeting, Lt. Gen. Siphon Phalikhan, deputy national defense minister and chief of the General Staff Department of the Lao People's Army [LPA], and Gen. Chi Haotian took turns to deliver speeches filled with profound meanings and substance. In part of his speech, Deputy Minister Lt. Gen. Siphon Phalikhan expressed his wholehearted happiness at welcoming PRC National Defense Minister Gen. Chi Haotian, who is a close and intimate friend and comrade of the Lao Army and people throughout the country. He warmly congratulated Gen. Chi Haotian and the delegation for having brought with them the glorious and intimate friendship of the Chinese Army and people to the Lao Army and multi-ethnic people.

In their speeches, Gen. Chi Haotian and Lt. Gen. Siphon Phalikhan assessed the relations between the two countries—two neighbors sharing the same rivers and mountains and having maintained close and brilliant relations since ancient times—and attached similar significance to them. They noted that the history of the relations between Laos and China is the history of traditional and intimate relations. Especially during the national revolution, the fraternal Chinese party, government, and army always stood by, supported, and assisted the Lao people's revolutionary struggle. The two persons also reaffirmed that in face of the changing world and regional situations, under the correct and creative leadership of each country, the traditional relations of friendship between Laos and China will be further developed and strengthened in many respects and deepened with a new quality.

Gen. Chi Haotian took the opportunity to thank the Lao party and government leaders and LPA cadres and combatants for their warm welcome. At the same time, he also wholeheartedly acclaimed and congratulated the multisided achievements of the Lao Army and people in the recent past in translating into reality the resolution adopted at the 5th LPRP Congress. He also hailed and supported the restructuring policy of the LPDR, which is leading the multiethnic Lao people to win firm victories.

On the afternoon of the same day, Comrade Gen. Chi Haotian and his party left Vientiane for home. Comrade Lt. Gen. Choummali Sai-gnason, Comrade Gen. Lt. Ai Souli-gnaseng, Comrade Lt. Gen. Siphon Phalikhan, Comrade Colonel Somphop Sitmala, and high- and middle-ranking military officers were at the airport to see them off.

Comrade Huang Guocai, PRC ambassador extraordinary and plenipotentiary to Laos, and Col. (Li Lai-cheun), PRC military attache to Laos, were also on hand at Wattai airport to bid farewell to the delegation.

Australia Gives Satellite Dish to TV Station

BK1405054893 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 13 May 93

[Text] On 12 May, a ceremony was held at the Lao National Television Station at kilometer marker no. 6 in Vientiane to mark the handover of an Australian-installed satellite dish to the station. In the ceremony, David Hill, director of the Australian radio, television, and mass media, delivered a speech presenting the satellite dish, worth more than 1 million kips, to the Lao television station. Accepting the satellite dish for the Lao side was Bounteng Vongsai, deputy minister of information and culture. Bounteng Vongsai also delivered a speech expressing thanks to the Australian Government for the assistance to the Lao television, assistance which, he said, will also enable the Lao people to view Australian television programs.

Also attending the hand-over ceremony as guest of honor was Michael Mann, ambassador extraordinary and plenipotentiary of Australia to Laos.

Philippines

Romulo Seeks Credit for Record on Democracy

HK1405030593 Manila THE MANILA CHRONICLE in English 14 May 93 p 1

[Report by Johanna Son]

[Text] Philippine-American ties in a post-bases era can have a good start if U.S. officials stop looking at the Philippines as a mere beneficiary of foreign aid and consider its track record on democratization and human rights.

This was the message Foreign Secretary Roberto Romulo relayed to senior Clinton administration officials in a series of candid meetings last week in Washington.

Romulo said "often representatives of the U.S. government continue to treat us as though we are beneficiaries and that they address issues as though we were in need of counselling, reprimand and discipline."

Romulo said this had been the context in which U.S. officials in the Philippines tended to discuss bilateral ties, despite a mutual commitment to emphasize the economic aspect of any new relationship.

Implicit in his remarks was an observation that perhaps the Clinton administration could signify its recognition of the Philippines in upholding human rights by being more forthcoming in economic ties.

Such support could reflect positively in assessing such issues as the Philippines' exports under the Generalized System of Preferences, a bilateral textile agreement and aid, Romulo said.

He said he told U.S. officials that their representatives to the Philippines tended to discuss with him a "laundry list of

items that are basically irritants," such as the inclusion of the killers of a U.S. colonel in the rebel amnesty program, Manila's position on Libya's protection of suspects in the Lockerbie case and the U.S.' "lack of willingness" to give equal treatment to Filipino Amerasians.

"They seem to focus more on irritants than on the positive aspects.... Perhaps that is not the way to start a new relationship (on economic terms after the bases pullout)," Romulo said.

Among the officials he met were the Acting Secretary of State Clinton Wharton, assistant Secretary of State Winston Lord, deputy assistant secretary Thomas Hubbard, National Security Council chief Anthony Lake and defense undersecretary Frank Wisner.

Lord and other officials had assured him that the Clinton administration wanted a mutually beneficial relationship with the Philippines, especially because of the two countries' strong historical links.

Romulo said he thought the U.S. would look approvingly at the Philippines when it came to human rights concerns, now that the security aspect is no longer a key issue, and considering Clinton's policy of linking trade and aid to democratization in foreign countries.

Significantly, the Clinton government has created the new position of undersecretary of state for democratization, which Filipino officials hope can work for the Philippines.

While the U.S. government has a "carrot-and-stick policy" in upholding democratization and human rights, Romulo told American officials he "didn't see the U.S. using that carrot (in this case)...nor do they know how to define the carrot."

He appeared to be contrasting U.S.-Philippine economic ties with U.S.-China relations. Despite American disapproval of Beijing's track record, China is the biggest supplier of textiles to the U.S.

"It would seem that we (the Philippines) have become rather forthcoming in the area of democratization and protection of human rights, but I don't see it (the carrot)," he said.

"Many people say we're the good guys (especially in Asia). We accept that for what it is, but I'd like to see the manifestation of the principle of the carrot," Romulo said.

Rebel Group Seeks Broader Membership Base

*HK1405031093 Manila BUSINESS WORLD
in English 14 May 93 p 12*

[Report by Wilfredo G. Reyes]

[Text] The Young Officers' Union (YOU) is currently in the process of developing a multi-sectoral membership base as a way of propagating its reform ideals in society.

A top-ranking YOU cadre told BUSINESS WORLD yesterday his organization has been gradually enticing

select youths from other sectors to form the leadership of a new, wider-based group espousing the same ideals of the original YOU.

"In order to properly describe its new character, the acronym YOU may later stand for 'Youth Organizers for Unity,'" the source said. "Actually, we were deciding between this and another suggested title, 'Youth Organization for Unity,' but we believe the first one would be more appropriate."

The officer explained the title "Youth Organizers for Unity" seemed to be a better choice, since it properly set the standards for membership. "No one can join this new organization, if he or she does not have the active, effective commitment to push for reforms in the sector to which he or she belongs," he remarked.

"Hindi puwede yng sasali pero wala namang gagawin [We don't accept nominal members]. We are still committed to fight for reforms which this society need.

"And what better way than to target specific sectors, which have specific reform requirements that may be distinct from those of other sectors," he added.

"In other words, we will not have ordinary members as other organizations do. To become a member, one has to be a cadre. And to become an effective cadre committed to instituting reforms in the place where one works or lives, one has to be a leader in that particular sector."

However, the source acknowledged the evolving organization has yet to fully develop the Filipinism ideology which the original YOU had adopted.

"Tinatanggap namin na hindi pa fully developed itong ideolohiyang 'to, kaya nga kami madalas nagmi-meeting [We admit that this ideology is not fully developed yet; hence, the reason for our frequent meetings]," he remarked. "This is important, because you cannot develop a genuine cadre if you do not have a solid ideology to espouse in the first place."

Still, the officer clarified Filipinism already provided a foundational framework for developing this belief system.

"Filipinism has the three basic requirements for a nascent ideology," he explained. "That's a theory of society, a vision for the future, and a methodology for achieving that envisioned objective."

Moreover, the YOU has not waited for ideological development to begin its transformation. Already, it has embarked on its new thrusts in Quezon City and Laguna, where it has nine and six new civilian cadres, respectively.

Also, the YOU's organization work has been greatly facilitated by the fact it has targetted organizations belonging to various sectors. "Nagtatag lang kami ng bagong organisasyon kapag wala pang established na grupo [We only created this new organization because there were no established group like it yet]," the source stressed.

The YOU has built upon a revised version of the organizational methodology used by the National Democratic Front (NDF). "We discovered that the NDF took too long in its barangay-based organizing work," the source recalled.

"That's why we altered this in order to achieve the same result in about half that time. Instead of being barangay-based, we have adopted territorial/geographical sectoral and functional criteria."

Does this mean the YOU has abandoned the armed struggle as a means of instituting needed reforms?

"Let's put it this way: we admit that the exercises we conducted in the past constituted a wrong methodology at that time (Aquino Administration)," the officer remarked.

"Remember that there are proper strategies and tactics specific to a given period. That is why we have decided to alter our methodology in tune with the demands for reform today."

Thailand

Drug Association Head: Pipeline Protection Good

BK1405025993 Bangkok *THE NATION* in English
14 May 93 p B3

[Text] The extension of retroactive patent protection for newly-invented drugs will encourage foreign drug firms to promote local pharmaceutical research and development and to sell new drugs in the local market, the president of Pharmaceutical Producers Association (PPA) said yesterday.

Inthira Kemakawat said after a meeting with Commerce Minister Uthai Phimchaichon that his association of research-based pharmaceutical producers strongly supported the extension of the protection period for drugs already invented but that have not yet been marketed in Thailand—the so-called "pipeline drugs."

Inthira said the extension will attract more pharmaceutical producers to set up production or establish joint ventures with local partners here.

"Such action will provide us with both production know-how and new drugs, things we are in dire need of," Inthira said.

Thailand's current Patent Act, which took effect last October 1, gives one-year retroactive protection period for pipeline drugs registered after October 1, 1991.

The United States is demanding that Thailand extend the period to seven years instead. In an attempt to avert threat of US trade retaliation, the Thai government is planning to extend the protection period—a plan that is widely opposed because of fears that the price of drugs will increase sharply.

Inthira said that of the 200 pharmaceutical plants now operating in Thailand, only 20 belong to foreign investors. The rest are Thai plants producing drugs for which patents have already expired.

"As a result of improper protection very few new drugs are available in Thailand," Inthira said.

Inthira said the pharmaceutical producers, meanwhile, will not be better or worse off with the extension of the protection period if the government decides to comply to the demand.

Referring to the current Patent Act, Inthira said Thailand loses nothing when the law gives back-dated protection for a period of one-year since the registered drugs being protected under the Patent Act have not yet come arrived in the Thai market.

"It will take at least 10 years for those registered in October 1991 to be fully developed as qualified drugs for the public," Inthira said. "Therefore, none of the new drugs protected under the current law coming will be on the Thai market until the year 2000."

Besides, even if the new drugs become available to the public, Thailand will not be affected much since the country imports only between eight and 20 new drugs annually, Inthira said.

Article Concerned With Fairness in Trade Talks

BK1405044393 Bangkok *BANGKOK POST* in English
14 May 93 p 4

[By Peter Mytri Ungphakhon]

[Text] If medicines, computer software and textbooks are over-priced, will Thailand's development be handicapped? Of course. And that is why the deal struck in Washington last week between Commerce Minister Uthai Phimchaichon's negotiators and officials of the Office of the US Trade Representative (USTR) needs to be looked at closely.

The issue here is not about stealing someone else's intellectual property. The idea is not to try and get away with as little law enforcement as will allow Thailand to escape sanctions. There is no question that copyright patent and trademark laws should be enforced.

Rather, this is a matter of monopoly and competition, of pricing, and of being fair. It is a concern that is as legitimate as any issue that goes before an office of fair trading, monopolies commission or anti-trust tribunal in Europe or America.

The question is: How to tackle abuse of monopoly power and other reasons for excessively high prices. That should be the central issue on the Government's agenda when it looks at proposed new "guidelines" regulations and laws on copyright and patents.

In this respect, Mr Uthai and his Cabinet colleagues should be concentrating on two issues: Compulsory licensing, which was discussed in Washington, and parallel imports, which does not seem to have been although officials in the delegation are well aware of the implications.

They should also be considering cutting import duties, particularly on computer software, and offering this as a voluntary market access "concession" for the Americans even though the greater beneficiaries will be Thai businesses and other software users.

Instead, by a quirk of fate, the focus of attention will probably be on a more trivial issue, so-called pipeline protection. Already some senior ministers are saying this problem is so small that the Americans should be given everything they want.

Added to that, because of his failure to do his homework properly, Mr Uthai is now guilty of a gross distortion of the situation because he is claiming that he is about to save 200 billion baht of exports at a cost of only 25 million baht in higher pharmaceuticals prices. That cost is an estimate based on granting four years of pipeline protection. (The United States is demanding seven years.)

Mr Uthai's crude cost-benefit formula is outrageous for a number of reasons and Mr Uthai should now seriously start to do his homework in order to avoid similar blunders. He cannot expect to be a hero in international trade if he does not study the fine print: That means looking at the legal implications and the broad range of interests involved, not only at the immediate interests of exporters.

For example, US trade law, for all its ills, does at least say the penalty should fit the crime. In other words, if US drug companies are losing 25 million baht from Thailand's shortcoming in patent protection, then the retaliation should roughly match the loss, the law says.

There is no question of 200 billion baht of Thai exports being put at risk if Thailand refuses to grant four years of pipeline protection. Mr Uthai has over-stated his case 8,000-fold, and no reasonable margin of error to take account of the effects of additional harassment could possibly justify such an exaggeration.

Top of the agenda should be compulsory licensing and parallel imports. The protection of intellectual property rights, through patents, copyrights and trademarks, creates monopoly power; the creator or inventor is given sole rights to market the creation or invention for a period of time. This monopoly power is legitimate provided it is not abused.

Compulsory licensing is a means of curbing abuse of monopoly power and is normally applied to products considered to have special importance, particularly pharmaceuticals. If a patent-holder is found to be overpricing or withholding supply as a result of that

monopoly power, the Government has the right to force the patentholder to license someone else to make the product for a fee.

The Americans generally dislike compulsory licensing and have successfully negotiated its abolition from Canadian patent law. They have, however, accepted it as a principle in Thai patent law provided the compulsory licensing powers are severely curbed.

Mr Uthai and his negotiators agreed to comply with most of the US demands although some room for interpretation remains. Changes will initially be included in "guidelines" and regulations, first drafts of which are due by June 15, to be followed by legislation to be submitted to Parliament by the end of next year.

The upshot is going to be a considerably weakened compulsory licensing provision in Thai patent law that will effectively only allow the Government to use the provision as an antimonopoly tool in cases of national emergency.

The increased cost that this will impose on Thailand's health care is virtually impossible to predict. But this is no justification for Mr Uthai and his Cabinet colleagues to ignore the possible costs. And there is a substantial body of opinion around the world, including in the United States that the American style of patent protection does raise drug prices to unreasonable levels.

Re-examining last week's agreement does not imply that we should blindly defend the present compulsory licensing set up either. If the pharmaceutical patent committee really is biased in favour of Thai copying companies, as the Americans claim, then it should be reformed to create a proper balance among the different industrial and public health interests.

Another means of avoiding abuse of monopoly and overpricing is parallel imports. Take computer software as an example. Legitimate software is far more expensive in Thailand than in the United States. The legitimate version of Wordstar, the word-processing programme, is priced at about 20,000 baht in Bangkok stores. It can be bought for \$185 (less than 5,000 baht) by mail-order in the United States.

The reasons for this are complex. They include high Thai import duties that reportedly could come down if software is recategorised as "literary works" under a new draft copyright law. But can we be sure that the sole authorised agents of the likes of Microsoft, Lotus, WordPerfect and Borland are not adding an unreasonable margin to their prices? One way to find out would be to let independent companies import legitimate software from the United States for sale in Thailand, in "parallel" to the appointed agents. That would encourage competition in software wholesaling and retailing, and it would not involve any theft of intellectual property. To anyone except trade lawyers, this is an eminently sensible way of making trade fairer.

Thai law already bans parallel imports for pharmaceuticals. According to copyright lawyers consulted earlier this week, the situation is vaguer with copyrights. They suggested this would depend on the conditions imposed by the software makers when they sold their products, they said.

At stake here, then, are the prices of medicines, software and text-books all vital to Thailand's development. And yet Mr Uthai has totally ignored the issue.

Instead, he has brought the focus on to the relatively trivial issue of pipeline protection because it happens to be the only issue of disagreement remaining between the two sides at the end of last week's talks.

Pipeline protection is actually a surrogate means of giving patent protection to a handful of drugs that were in the pipeline when last year's new law was introduced. They had already been invented and were therefore not eligible for protection under the new law. But they were not available in Thailand either and were therefore not being copied here.

Administrative sleights of hand have been devised so that thorough clinical testing and other procedures the company that invented the drug would have sole marketing rights for a period, while potential copiers are caught up in red-tape that prevents them from manufacturing.

"Red-tape protection" would be a better description than "pipeline protection."

Thailand is offering a four-year ruse—if a company applies for a licence and starts "testing" its product on patients, say 1996, others won't be able to make and sell copies until 2000. The Americans want the copiers to be tangled in red-tape for seven years, until 2003.

In fact, since the difference is so small, the Thai negotiators were willing to give in to the Americans. But they were prevented by a letter that Prime Minister Chuan Likphai sent to Mr Uthai in Washington on May 4.

What has not been discussed publicly in Thailand is how far back this retroactive protection should go. The agreement that China signed with the United States set 1986 as a cut-off date—nothing invented before that year would be given pipeline protection. In Thailand's case, no cut-off date has been discussed.

According to Suchai Chaowisidha, deputy commerce permanent secretary who led Mr Uthai's team of officials to Washington last week, in Thailand's case the effective cut-off date is determined by the duration of US patents—about 20 years from the date of patent application. Any drug invented after about 1972 but unavailable in Thailand last year would be eligible for pipeline protection.

The impact of pipeline protection might appear to be trivial, but there is one, admittedly unconventional, reason why the Thai Government should resist the U.S. demand for seven-year coverage: Spite.

Not because of the higher cost of health care since the extra three years will not cost that much, but because of the sheer unreasonableness of some of the US arguments, particularly on pipeline protection and their claim to be judges of "international standards."

Mr Uthai's second biggest weakness in his handling of the Thai US talks has been his willingness to accept US criticisms of Thailand without a murmur. Not one word has he said about the aspects of the US position that are unreasonable, nor about the impact on the world trading system—and ultimately on Thailand's export prospects—of Washington's unilateral approach.

Nor have he and his advisers and lobbyists bothered to make contacts with influential Americans who are unhappy with the USTR position, such as David Pryor, the influential senator from President Bill Clinton's state, Arkansas. Mr Pryor has argued that patents should be withdrawn from drug companies that over-price.

Mr Uthai's unwillingness to look at the legitimacy of US demands has not been helpful to anyone because it can only increase US trade officials' view that theirs is the only legitimate stance. Of course being unreasonable is not an American monopoly; some of the Thai positions have been questionable. But we have heard endless criticisms of the Thai stance and scarcely a word about US unreasonableness.

Self-righteously, the Americans accuse Thailand of failing to live up to international standards. But what do they mean by international standards? This could hardly be a reference to a country's stage of development and maturity since Thailand now probably has stronger intellectual property protection than the United States did when it was at the beginning of its industrial revolution.

In a recent letter to Mr Uthai USTR Kantor defined international standards as the chapter on Trade Related Intellectual Property Rights (TRIPS) in the draft agreement of the Uruguay Round of world trade talks. He demanded that Thailand comply immediately even though the Uruguay Round has been deadlocked since 1990 and there are no signs of the draft agreement being accepted in the near future.

The Uruguay Round draft is a worthy international standard because it is the outcome of multilateral negotiations among more than 100 countries. Unfortunately when the subject turns away from TRIPS to other chapters, the United States suddenly and mysteriously finds the Uruguay Round draft an unacceptable international standard.

Some of those chapters would require the United States to phase-out sugar and textiles quotas. The United States will not touch these until the Uruguay Round is concluded.

In other words, change the subject from intellectual property to textiles quotas, and the Americans shift the goal-posts. Now the "international standards" are those of the internationally "agreed" Multifibre Arrangement.

This is a set of quotas that was forced down the throats of developing countries under the kind of logic that treats poverty, low wages and the resulting low costs as some sort of unfair trade.

So, return to intellectual property and focus on pipeline protection for pharmaceuticals. Lo and behold, the goalposts are on the move again.

Under the draft Uruguay Round TRIPS agreement, Thailand does not have to grant pipeline protection at all. In this case, Washington says, the "international standards" are those that the United States arm-twisted bilaterally out of China, the Philippines, Taiwan and South Korea—seven to ten years of pipeline protection. Conveniently forgotten is the 1986 Chinese cut-off date that Thailand is not even bothering to ask for.

The United States is obviously talking about international standards imposed by its own economic might, not by reasoned multilateral consensus.

Here, the United States is exploiting substantial imbalances. The main imbalance is in trade-power. Sanctions hurt countries like Thailand more than they hurt the United States because the quarter of all Thai exports that go to the United States constitute a tiny fraction of US imports. Smaller countries are bound to capitulate.

That is why Thailand should stick to its four-year pipeline protection out of spite, particularly if this country is to capitulate on everything else. Extending pipeline protection for another three years will not cost Thailand much, Mr Uthai and the US drug companies say; but that also means that depriving the US drug companies of three years of pipeline protection will not cost them much either.

Messrs Kantor and Clinton could hardly impose reprisals for such a trivial divergence from the United States' preferred seven years.

Cambodian Election Monitors Meet in Phatthaya

*BK1405044293 Bangkok BANGKOK POST in English
14 May 93 p 10*

[Text] Chomthian—Polling officers sent from around the world to monitor the forthcoming elections in Cambodia have been warned to use common sense and strictly follow United Nations' safety and security rules. Some 945 electoral monitors from 58 countries yesterday began a three-day orientation course here before being deployed in Cambodia next week. Among them were 27 Thai government officials and about 30 Thai nationals working for various UN organisations.

The Thai electoral monitors, most likely to be stationed nearby the two Thai engineering battalions currently in Battambang and Sisophon, were assured that Thai authorities along the border are on alert and well-equipped to rescue them in any emergency. Thailand is the only country which shares a border with Cambodia sending a team to monitor the polls.

A member of the Thai monitoring team said he believed Thai work with the Khmer people over the years had been successful and that should ensure they are not special targets for harassment by factional forces.

"The Khmer Rouge regard us Thais as their number one ally, while China and Nicaragua rank second and third," a Thai military officer said during the briefing on safety arrangements for the Thais.

Organised by the UN Transitional Authority in Cambodia [UNTAC], the three-day training course featured an introduction to key issues for election volunteers, most of whom have not been to Cambodia before, ranging from the history of Cambodia to security mine awareness and health issues.

The meeting was opened by Reginald Austin, UNTAC's electoral section chief. UNTAC chief Yasushi Akashi is expected to be present at the closing ceremony, but UNTAC spokesman Eric Falt said Mr Akashi's participation could not be confirmed until today.

The electoral monitors will be deployed from U-Taphao air base on C-130 and C-160 aircraft to major destinations including Phnom Penh, Battambang, Kompong Chhang, Siem Riep and Stung Treng from May 16-18.

Chinese Lt-Col Pang Yan Dong, an expert from UNTAC's military section, told the volunteers the situation in Cambodia was "generally calm, tense in certain areas, but not as bad as described by the press".

"All incidents and attacks on UNTAC personnel are alarming indeed but that does not mean that Cambodia is in a state of war," he said.

Paper: Stifling Protest Shows Chuan as 'Dictator'

*BK1405102293 Bangkok THAI RAT in Thai
11 May 93 p 4*

[“Personalities in the News” column by “Typhoon”]

[Excerpt] [passage omitted] Another page has been recorded in the history of Thailand's flourishing democracy under the elected government of Prime Minister Chuan Likphai—a farmer was beaten to death and another number were injured by police clubs as they were demanding the government guarantee a paddy price of 3,000 baht per kwian [ton]. Not only did he refuse to meet the farmers, troubled by falling paddy prices, but Prime Minister Chuan Likphai even accused them of being an organized mob. Yes, even though the protesting farmers could be part of an organized mob, “Typhoon” still thinks their protest was justified because the farmers are in really bad shape and have totally been ignored by the government, which clamored the word democracy as a cover to seek justice for the clique. “Typhoon” also wonders where were the four members of parliament from Kamphaeng Phet Province—Ruangwit Lik and Warathep Rattanakon of the Chat Thai Party, Pricha Musikun of the Democrat Party,

and Thawin Roekrai of Chat Phatthana Party. What have you been doing, thus leaving the farmers from your provinces to be beaten to death by government authorities because they protested against the falling paddy price? None of those representatives showed up to help the farmers. So what about the promises they made during election campaigns? "Typhoon" today sees the true colors of Prime Minister Chuan. In fact he is no different from a military dictator, who never sees the people's problems, who is only obsessed by a concern to keep power in his hands. For him, any critics are accused of attempting to undermine the government. "Typhoon" does not understand what Prime Minister Chuan meant when he boasted about the capability of his intelligence service. He boasted that he knows who is with whom and where. Well, what is the use of such information? Or was he just trying to bluff the mob of farmers who were calling for help from the government to guarantee paddy prices by accusing them of being politically organized and giving the authorities the go-ahead to crush them. There have been lessons in Thai history, but no leaders have ever paid attention to them because they have gone blind with power. From Field Marshal Thanom Kittikhachon to the most recent General Suchinda Kraprayoon, they have met with downfall because of their intelligence. Now it's Chuan Likphai's turn. Alas! [passage omitted]

Chuan Sues for Libel

*BK1405053793 Bangkok THE NATION in English
14 May 93 p A1*

[Text] Prime Minister Chuan Likphai yesterday sued the influential Thai Rat newspaper and a famous columnist for libel after a political gossip column published on May 11 allegedly said he was "no different from a military dictator".

He is the first prime minister to sue a newspaper while in office.

Chuan's lawsuit demanded that the newspaper publish an apology in six publications for 15 consecutive days.

The lawsuit is fallout from last week's fiery protest by rice farmers in Kamphaeng Phet, during which one demonstrator was beaten to death by police.

The page 4 column in Thai Rat daily, which has the biggest circulation in the country, deplored the incident as a scar in an era of flourishing democracy and quoted Chuan as suggesting that the protest could have been politically motivated.

Saying Chuan had "shown his true colours", columnist Typhoon, or Santi Wiriyaarangsarit, said: "Finally we have seen that he is no different from a military dictator."

Chuan's lawsuit also alleged that the commentary had described him as a ruler who "has gone blind with power".

Chuan said in the lawsuit that the columnist's accusations were untrue and had defamed him.

He said he was determined to foster democracy and never ordered the use of force to quell public protests.

Chuan had said the government was responsible for the protester's death. But he strongly denied ordering the forceful suppression of the rally, during which several villagers and policemen were injured.

On Wednesday [12 May], he said during a House debate on the incident that his direction to the local authorities was merely to ensure that protesters not carry out illegal activities, such as blocking the road or damaging public property.

The court will soon decide whether to accept Chuan's lawsuit.

Thai Rat senior editors were not available for comment yesterday. Editorial staffers contacted by The Nation last night said they were not aware of the lawsuit.

Thai Rat columnists have kept up almost daily attacks on the Chuan government, which they accuse of being inefficient.

Opposition MPs yesterday criticized Chuan for "overreacting".

"He seems too sensitive," said Muanchon Party leader Chaloei Yubamrung. "I have gone through much more scolding by the media but I'm alright."

Chat Thai MP Songsak Thongsri noted that Chuan had vowed to promote the role of the media.

"I think the prime minister can tolerate criticism. The lawsuit may simply be intended as a message that he has the power," Songsak said.

Opposition Using Issue

*BK1405041093 Bangkok BANGKOK POST in English
14 May 93 p 4*

[Editorial: "Who is exploiting the farmers now?"]

[Text] Almost overnight, our perennially impoverished and long-neglected farmers appear to have become pampered brethren of politicians of various shades, especially those representing the opposition camp. Although the largesse extended them stopped short of rolling out a red carpet the unusual extent of the acclaim must have made some farmers feel a little awkward. Free transport was reportedly provided by some opposition MPs to bring farmers in their constituencies to Bangkok to air their grievances. Other expenses were taken care of by opposition members, who showed themselves to be generous to a fault.

Some of the recipients could be forgiven for feeling that the world had suddenly turned upside down, or inside out. In a strange twist of events, politicians who have never made a secret of the fact that they are self-made or parentally-bred capitalists have suddenly acquired a soft heart for people of a different class who, in other times, they might have viewed with contempt for their failure

to be as successful as they are, or simply because of the fact that they are poor. Some are now going so far as to identify themselves as farmers.

Had Sangiam Tomchai-ot, the Kamphaeng Phet farmer fatally beaten by police during a protest last Friday, been alive today, he would most likely have screamed in protest about the way the Opposition is exploiting his death and treating him as a martyr, apparently without any sense of remorse or respect for the dead. The man, according to his family and friends, genuinely wanted to help his poor fellow farmers who are suffering from falling paddy prices. It was not his intention to make his people's hardship a political issue to unseat the Government as the Opposition is now attempting.

Yet the Opposition, and in particular the Chat Thai Party, appears determined to capitalise on Sangiam's death to the fullest in a true opportunistic fashion. Allegations of police brutality have always been a perfect issue with which to drum up public sentiment and have provided a lot of ammunition for the Opposition to launch broadside after broadside against the Government. This was clearly demonstrated for several hours on Wednesday night, as opposition MPs used their parliamentary forum to lambaste the Government on the farmers' issue, reserving most of their ire for Prime Minister Chuan Likphai and Interior Minister Chawalit Yongchaiyut. One Chat Thai representative from Kamphaeng Phet showed a broken baton to Parliament which was allegedly used by a police officer to beat Sangiam. Another asked the Prime Minister to show responsibility for ordering the police to quell the protest in Kamphaeng Phet.

It is obvious that police overreacted and that a tragic death ensued as a result. Therefore both the premier and the interior minister must take indirect but ultimate responsibility for this. But the Opposition too cannot escape blame in its entirety. Eyewitness accounts have suggested that some opposition members pulled the strings from behind to instigate violence and to provoke police.

The whole exercise by the opposition parties, Chat Thai in particular, raises a question mark over whether they are genuinely and sincerely concerned with the plight of the farmers or are callously using them as a means of pursuing their political goals. A sceptic might ask whether the Chat Thai MP who showed the broken baton in Parliament had bothered to assist the widow of the victim. Others might question whether the Chat Thai MPs had done anything to ease the plight of farmers in their constituencies in the first place.

It is an inalienable right of the farmers to protest in order to get their message across to the Government, but in a way which will not cause unnecessary hardship to other people. And the Government is duty-bound to see to it that their troubles are alleviated—if not totally removed.

The Opposition, too, can play an equally constructive role in assisting the farmers. Sadly however, the conduct of some opposition MPs, as has been seen, clearly indicates more of a desire to pursue self-serving political interests.

Government Agrees To Purchase Second Rice Crop

BK1405023193 Bangkok *THE NATION* in English 14 May 93 p A1

[Text] The government agreed to intervene in the rice market to shore up falling paddy prices after thousands of rice farmers rallied in Bangkok yesterday—the largest anti-government demonstration since the uprising last May.

The government offered a relief package involving fixing the minimum price for paddy bought by rice mills in 33 provinces at Bt [baht] 2,560 to Bt2,760 a tonne, and selling additional fertilizer to farmers at a low price.

Farmers complain they have been receiving only Bt1,600-Bt1,700 a tonne for paddy.

The protesting farmers' representatives initially said they were satisfied with the government's pledge. But the protesters, backed by opposition MPs [members of parliament], later rejected the package as inadequate and demanded a paddy price of Bt3,000 per tonne.

The farmers finally dispersed about 9.45 pm and agreed to return next Thursday to hear the government's response.

About 2,500 farmers from 11 provinces rallied at the Royal Plaza yesterday, demanding prompt government action to shore up falling prices. The first group arrived about 7 am from Sing Buri province. The biggest group, of about 500, were from Suphan Buri.

Prime Minister Chuan Likphai said after heading a delegation to negotiate with representatives of the farmers that the government had agreed the Marketing Organization for Farmers (MOF) should intervene in the rice market.

Chuan said the MOF would also sell another 200,000 tonnes of fertilizer to rice farmers in a low price, in addition to the 300,000 tonnes earlier fixed for this year.

MOF Director Niphon Wongtrangan told a press conference his organization would buy 500,000 tonnes of steamed rice and polished rice from rice mills to enable them to stock more paddy from the farmers. The value of the rice to be bought equated to 800,000 tonnes of paddy, he said.

The MOF had fixed the minimum price of paddy at Bt2,560 to Bt2,760 per tonne, depending on the location, he said.

With the introduction of the relief package, the government would end its plan to distribute a compensation fund to rice mills to buy paddy from farmers at Bt300 per tonne above the current market price, he said.

Some farmers' representatives said they were satisfied with the government's offer, but opposition MPs from the provinces differed over the matter.

Chat Thai Party Suphan Buri MP Chongchai Thiangtham said he was satisfied, but a Sing Buri MP from the same party, Prathuang Wichanpricha, and another Chat Thai Suphan Buri MP, Praphat Pothasuthon, said they were disappointed and believed the farmers would not accept the package.

Chongchai also complained that Prathuang had not played an initial part in the farmers' plan to rally in Bangkok but had joined in after other MPs had already coordinated the protest.

The issue of falling paddy prices was debated in the House of Representatives yesterday separately from drought, traffic and public safety problems.

Opposition MPs planned to submit another motion to the House next Wednesday to renew their grilling of the government.

The House committee on local administration will invite Prime Minister Chuan Likphai to testify about the violence during the protest of rice farmers in Kamphaeng Phet province last Friday, one of its members said yesterday.

The committee would discuss the matter during its meeting on Thursday when it had already invited the governor and police chief of Kamphaeng Phet, representatives of the protesting farmers to testify, said Sophon Phetsawang.

He did not say when Chuan would be invited to appear.

One farmer died and about 50 other people were injured after police clashed with rice farmers protesting about falling paddy prices in the lower northern province last Friday. The protest was used by the opposition as a platform to

Reportage on, Reaction to Toy Factory Fire

Civil Rights Group Advocates Lawsuit

*BK1405030793 Bangkok BANGKOK POST in English
14 May 93 pp 1,3*

[Text] The Union for Civil Liberty yesterday suggested that relatives of the workers killed or injured in Monday's fire tragedy take joint legal action against factory owner Kader Industrial (Thailand) Co.

In a statement released yesterday, the union said that the relatives of those killed and the injured workers:

- Have the right to form a committee to pursue compensation from Kader Industrial. The committee could coordinate its efforts with the various agencies concerned and demand an investigation so that justice is done for the workers
- Can sue the employer in the Civil Court to demand compensation for medical and funeral expenses and payment for dependents

- Have the right to file a complaint with the police station responsible for the area to arrest the company's management and pursue criminal prosecution if there is evidence that the managers were negligent and did not employ safety systems which were up to standard;
- Can ask the Government or responsible agencies to investigate who will be held responsible if the probe finds that the employer was at fault. The Government or the agencies concerned should introduce immediate measures to punish those held responsible and to prevent a similar tragedy occurring in the future.

Meanwhile, Prime Minister's Deputy Secretary-General Ruengwit Dusadisurapot said the Government would support relatives of the dead in filing lawsuits against the firm's Hong Kong owner, Kader Holdings Co Ltd, after it allegedly showed indifference to the loss of life.

Kader Holdings, which holds a 40 per cent stake in Kader Industrial's doll factory, said in a statement published in a Hong Kong newspaper this week that it believed the fire would have no significant impact on the company as the business in Thailand was operating at a loss.

The statement said the company regretted the blaze but did not mention compensation for the victims.

Mr Ruengwit criticised Kader Holdings for failing to show responsibility for the casualties.

"The company was not affected financially by the fire but said nothing about paying compensation to the victims' families," he said.

"The company was concerned only about the money, but did not see the importance of disaster prevention and the value of human lives," Mr Ruengwit said.

Mr Ruengwit said the Government would support the victims' relatives in calling for payment of the highest rate of compensation possible.

The National Disaster Prevention Committee is considering what kind of support government agencies can give the relatives.

Mr Ruengwit said the committee, chaired by Deputy Prime Minister Bunchu Rotchanasathian, was also looking at amendment of relevant laws to force private firms responsible for disasters to compensate the wounded and dead at the same rate as in other industrialised countries and to speed up court procedures so the victims receive compensation as quickly as possible.

Police To Decide on Legal Action

*BK1405032393 Bangkok BANGKOK POST in English
14 May 93 p 1*

[Text] Police are expected to decide soon whether to take legal action against the management of Kader Industrial (Thailand) Co after wrapping up their investigation into this week's horrific factory fire.

Nakhon Pathom police chief Chue Laoprasoet said investigators had questioned more than 160 of the factory's workers and security guards.

Members of the company's management will soon be summoned for questioning and may be arrested, Pol Col [Police Colonel] Chue said without elaborating.

Kader Industrial (Thailand) Co's board of directors has authorised the firm's deputy managing director, Phichit Laokasem, to coordinate with local authorities investigating the fire.

None of the senior management members, including Taiwanese managing director Y.P. Hsue, has been seen at the factory since the fire.

First Region Provincial Police Commissioner Lt-Gen [Lieutenant General] Suriya Moranont insisted at a press conference yesterday the actual number of workers killed was 186, not more than 200 as widely reported.

Of the bodies found, 172 were women and 14 men, not all of whom have been identified. Police still have not been able to identify one male and 13 female bodies, he said.

But Sam Phran District authorities put the latest toll at 207 people, for whom death certificates have already been issued.

The Interior Ministry's information centre put the death toll at 269.

Meanwhile, local police have received complaints from relatives that up to 210 workers are missing.

Of the 210, 30 were later found either alive or dead, police said.

Police said they faced problems coming up with accurate casualty and missing persons figures because of the duplication of body counts and because some of the people originally reported missing had not reported to authorities when they realised they were on the missing list.

It will take some time to establish an accurate list of the missing, police said.

Sam Phran District Officer Adison Phawarangkhun said authorities did not yet have an information centre to provide accurate details about the fire and the victims.

People who suspected their relatives may have died in the fire were advised to check at hospitals or notify police, Mr Adison said.

As of yesterday, more than 2,200 Kader workers had reported for social security benefits with officials who set up a makeshift tent office in front of the burnt-down factory. They also applied for new jobs with labour officials who had installed makeshift offices.

Ministry Orders Safety Inspections

*BK1405051093 Bangkok BANGKOK POST in English
14 May 93 p 17*

[Text] The Industry Ministry has ordered all of its industrial offices nationwide to inspect both old and new factories to see if they have sufficient emergency exits for workers to escape during fires. The order was given by the ministry's permanent secretary, Siwawong Changkasiri, following the tragic fire which killed more than 200 workers at the Kader Industrial (Thailand) doll factory on Monday.

Industrial Works Department Director-General Pricha Atthawipach said the permanent secretary ordered checks on factories which involve more than 100 people or those which use flammable materials as raw materials, such as textile factories, garment factories and doll factories, to see if they have additional exits in addition to the two exits or ladders required by the department. If the factories did not have sufficient exits, the situation must be rectified within 3-4 months, he said.

Regarding owners' fears that more exits and ladders would threaten security, Mr Pricha said the department did not require the factories to fix the ladders to the ground.

They could install ladders above the ground to prevent people from climbing up into the buildings, he said. He said most factory owners had agreed to comply with the department's exit proposal.

Mr Pricha said the use of metal structures in the construction of buildings was not safe in fires as metal could melt quickly and cause the whole building to collapse. If a reinforced concrete structure was used, the building may not collapse as quickly even if it was not up to standard, he said.

Officer Fired for Offenses Against Prince

*BK1305105493 Bangkok SIAM POST in Thai
28 Apr 93 pp 1, 2*

[Text] As it happened, a group of people were using the name of the crown prince to pursue personal gains through various means without respect for his royal highness the prince. In this connection, the Police Department and authorities concerned have investigated the case to establish the facts.

Following the investigation, the Office of the Prime Minister has issued an announcement discharging the military officer from service. According to the order, Major General Wira Wanasuk, chief of staff of the Royal Security Guard Command under the Office of the Supreme Commander, has been acting in defiance of royal authority with suspicious activities indicating that he has been an accomplice in exploiting the name of his superior as well as official premises to pursue personal gains, disregarding the patronage extended to him by his royal highness the crown prince, who is his immediate commander.

By a royal command countersigned by Prime Minister Chuan Likphai, Maj. Gen. Wira Wanasuk has been discharged from service as of 14 March. The announcement, dated 20 March, was published in the Royal Gazette No. 110 on 1 April.

Maj. Gen. Wira Wanasuk was a graduate of Chulachomklao Royal Military Academy Class 14. He was a former Thai military attache to Malaysia, then served as an officer attached to the Army Intelligence Department, director of the Policy and Planning Office of the Army Operations Department, and officer attached to the Supreme Command Headquarters. His last position was chief of staff of the Royal Security Guard Command under the Office of the Supreme Commander.

UK Trade Board Head Foresees More Opportunity

*BK1105021993 Bangkok THE NATION in English
11 May 93 p B3*

[Text] Chairman of the British Overseas Trade Board Sir Derek Hornby, who is leading a group of British businessmen on a trade mission to Thailand, said yesterday that Thailand is an excellent marketing base for Indochina and China, in addition to the domestic markets.

"The mission is to do a lot more of business here. We want to do more than exporting products to Thailand. We look for joint ventures ... all things that businessmen usually look for," Sir Hornby said.

Sir Hornby cited investments in infrastructure, especially transportation and construction, and opportunities in pharmaceuticals and natural products, engines and equipment, and software as the most interesting sectors the British look forward to investigating.

"I believe British investment here accounted for more than half of the total EC investment in Thailand," Sir Hornby said.

Thailand enjoyed a 165.5 million [currency not specified] trade surplus with the UK in 1992. The major exports were garments, canned food and footwear. The country, however ran a slight deficit with the UK concerning trade and services.

Having announced that South East Asia including Thailand is a priority area for business expansion, the British government also emphasized two-way trade, Sir Hornby told the reporters.

"We also see Thailand as a gateway to Indochina, Asean countries, and China a very excellent base to explore other markets," Sir Hornby said. "Besides, under a single European Market, the UK can also act as a distribution centre for Thai products going to Europe."

British businessmen in the group echoed his assertions. A representative from Seven Seas Co, whose specialty is nutritional products, even claimed that "in two years

time, our business in Thailand will be larger than that in Singapore and Hong Kong."

Along with comments of "excellent" and "good opportunities", they acknowledged that Thailand does have problems. Sir Hornby briefly mentioned services and bureaucratic decision-making while Andrew Maynard of APV Co, a manufacturer of food processing machinery, cited shortages of technical and middle-managerial skills as a bottleneck.

Despite the problems, APV Co can't resist Thailand either. In the past they only sold food processing machinery here. Now the firm is considering a joint venture in Thailand. "With the demand increase for consumer products, we are looking for an opportunity to set up a production plant here," Maynard affirmed.

A Rolls Royce representative said he is investigating opportunities in the public sector. "We are looking to sell airplane engines as well as power stations and electronic distribution systems to both the Air Force and the Navy."

EC Farm Reform May Limit Tapioca Exports

*BK1105015793 Bangkok THE NATION in English
11 May 93 p B3*

[Text] Prime Minister Chuan Likphai has instructed five ministries to cooperate in avoiding any adverse effects resulting from the drastic farm reform in the European Community on tapioca exports from Thailand.

During the meeting of the Council of Economic Ministers, Chuan instructed the Agriculture and Cooperatives Finance, Interior, Industry, and the Commerce Ministry to find ways to shore up local cassava prices, which have dropped relatively in reaction to the lower demand of tapioca in the EC.

The Council of Economic Ministers yesterday raised tapioca exports as one of its contentious issues for the meeting because the local cassava planters are seriously suffering from depressed prices resulting from the drop of demand in the EC, the biggest market for Thai tapioca pellet exports.

According to a source, the Finance Ministry has been instructed to help the exporters through tax restructuring, while the Interior Ministry is in charge of helping local cassava planters adjust themselves in preparation for the lower demand of tapioca products in the EC.

The source added that the economic ministers yesterday also agreed to hire the local tapioca experts to consider whether to extend the bilateral tapioca contract with Brussels.

Chuan has also asked the Industry Ministry to find how to diversify the use tapioca products, such as native or modified starch. To date, the bulk of cassava output is transformed into tapioca pellets for exports.

The Agriculture and Cooperatives Ministry is also instructed to find ways to cut cassava plantation. It is

expected that cassava plantation will be reduced by 17,000 rai this year. The council of economic ministers has also assigned the ministry to cut the production cost per rai, the source added.

The Commerce Ministry has also hired a consultant firm to study the impact from the drastic farm reform in the EC on the Thai output.

The EC will start to cut its domestic farm subsidy from July this year under its Common Agricultural Policy reform. Under CAP, the EC will cut the domestic farm subsidy by 29 per cent within a three-year period, from this year to 1996.

The farm subsidy cut will encourage EC animal feed producers switch to other grain substitutes in the Community, because the CAP will bring the prices of the EC grains such as barley and wheat down to the level close to the tapioca exports from Thailand.

The price of Thai tapioca pellets is expected to drop from the current level by 20 per cent after the implementation of CAP reform in the EC.

The country, currently, is selling tapioca to the EC under the bilateral four-year contract. The contract, which is due to be expire by the end of next year, allows Thai exporters to sell an average of 5.25-5.75 million tonnes of tapioca pellets to the Community.

Laos To Host Talks on Refugee Repatriation

*BK1405041493 Bangkok BANGKOK POST in English
14 May 93 p 10*

[Text] Laos is expected to host another round of talks probably in July, for the repatriation of an estimated 40,000 Laotian refugees still encamped in Thailand, according to National Security Council [NSC] chief Charan Kunlawanit.

The talks will bring together officials of Thailand, Laos and the United Nations High Commissioner for Refugees [UNHCR] who agreed on the repatriation operation which began in 1985.

The movement of refugees back to Laos has been slow but Bangkok made clear in a meeting with Vientiane and UNHCR officials that all the Laotians had to return home by 1994, or face being treated as illegal immigrants. Gen Charan emphasised that Thailand is not supporting Laotian anti-government rebels and would not allow any resistance base to be set up on Thai soil. Thai-Laotian relations have improved considerably as problems are resolved or clarified, he said.

Gen Charan made the remarks after emerging from an NSC meeting chaired by Prime Minister Chuan Likphai that discussed Cambodia and the situation in other neighbouring countries.

Commenting on Burma, Gen Charan said Thailand has a clear policy to withhold support for any attempt by

minority groups to stage anti-Rangoon activities. Thai log merchants trading with Burma should be aware of Rangoon's policy to stop issuing concessions at the end of this year, he said.

Present situations in the Indochinese states and in the six member countries of the Association of Southeast Asian Nations are developing satisfactorily, he said.

Stability in this region would enable all countries in the region, as well as southern China, to increase economic cooperation in trade, and perhaps finance and banking in the future.

Vietnam Agrees To Talks on Imprisoned Fishermen

*BK1405044093 Bangkok BANGKOK POST in English
14 May 93 p 10*

[Text] Thailand and Vietnam have agreed to further detailed consultations on the exchange of fishermen imprisoned in each other's jails, the Consul-General in Ho Chi Minh City, Snachat Thewahatthin, said yesterday.

Mr Snachat was speaking to reporters after an hour-long discussion at the House of Representatives between Deputy Foreign Minister Surin Phitsuwan and the governor of Vietnam's Kien Giang Province, Pham Van Minh.

Mr Van Minh, an MP and member of Vietnam's House Committee on Economic and Budgetary Affairs, is on a 1-day visit to Thailand at the invitation of Mr Surin and Surat Canning Co for the purpose of creating better bilateral understanding and expanding business cooperation.

Mr Snachat quoted the Deputy Foreign Minister as saying that both countries should start a new cooperation to control invasion by trawlers of each other's territorial waters.

"The Navy should give warning signals without using force when capturing them," Mr Snachat said.

Thailand has detained 41 Vietnamese fishermen in Songkhla Province. Some 117 Thais, most of them arrested in February and March, are in jail in Kien Giang and other coastal provinces in southern Vietnam. Thailand earlier released 26 crew, of which 24 are from Kien Giang Province.

Mr Snachat reiterated that the director-general of the Fishery Department yesterday offered to sail them home and pick the Thai crew up on the way back, but the Vietnamese counterpart said the fine must be paid first.

The Deputy Foreign Minister also proposed cooperation between Songkhla and Kien Giang provinces, which have similar geographical locations and fishermen's problems.

Mr Van Minh agreed to take both proposals back to the House meeting next month for consideration by the Vietnamese Government.

Bank Issues Credit Warning for Nonpriority Sectors

*BK1405024793 Bangkok THE NATION in English
14 May 93 p B1*

[Text] The Bank of Thailand moved swiftly yesterday to warn commercial banks not to extend excessive credit to the non-priority economic sectors.

The warning came after it received an indication of the high numbers of loans going to the non-priority economic sectors following the slowdown in credit extension to priority economic sectors.

In a circular issued yesterday, the central bank warned banks to extend credit in line with their credit plans submitted to the monetary authorities earlier in the year.

The central bank cited higher levels of credit going to the nonpriority economic sectors, which is not in line with the policy. The actual credit being extended is also exceeding the original loan plans submitted by the commercial banks.

It has been reported that actual lending growth to priority economic sectors, such as export and agriculture, fell substantially in the first quarter.

Sources said most banks concentrated on lending for consumption and personal credit rather than manufacturing or investment.

Of the total outstanding credit of Bt [baht] 2.059 trillion last year, 40.82 per cent went to the priority economic sectors, 51.5 per cent to general credit, and 7.69 per cent to nonpriority economic sectors.

Outstanding credit to the nonpriority economic sectors last year totalled Bt238 billion, a 34 per cent increase on 1991. Loans to priority economic sectors grew 25.7 per cent and general credit grew 34.3 per cent.

Wichit Suphinit, governor of the Bank of Thailand, said yesterday that the control of lending to non-priority economic sectors is a move to ensure that more loans are channelled to rural areas—the government policy to promote investment in the provinces.

“The Bank of Thailand will closely monitor the situation to ensure that banks extend credit according to their plans. Each bank must do so,” he said, launch a full attack on the government during debate in the House on Wednesday.

Vietnam

Further on Vo Van Kiet's Visit to ROK

Delegation Departs 13 May

*BK1305145993 Hanoi VNA in English 1437 GMT
13 May 93*

[Text] Hanoi VNA May 13—Prime Minister Vo Van Kiet left here this morning at the head of a Vietnamese

Government delegation, for an official visit to the Republic of Korea (ROK) as guest of Prime Minister Hwang In-song. The delegation includes Foreign Minister Nguyen Manh Cam, Minister and Chairman of the State Committee for Cooperation and Investment Dau Ngoc Xuan, Chairman of the Vietnam Chamber of Industry and Commerce Doan Duy Thanh, Deputy Head of the State Planning Commission Tran Xuan Gia, Deputy Head of the Government Office Doan Manh Giao, Vice Minister of Transport and Communications Le Kha, Vice Minister of Commerce Truong Dinh Tuyen, Vice Minister of Technology-Science and Environment Chu Tuan Nha, Director of the General Post and Telecommunications Department Dang Van Than, Assistant to the Prime Minister Hoan Van Hoan and Vietnamese Ambassador to ROK Nguyen Phu Binh.

The prime minister is accompanied by more than 20 businessmen including the general directors and directors of various state-run companies, limited liability companies and a number of private companies.

ROK Foreign Minister Meets Group

*BK1405053893 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 13 May 93*

[Text] At 1415, Prime Minister Vo Van Kiet and his entourage arrived at Seoul, starting an official visit to the ROK. This is the first official visit to the ROK by a Vietnamese prime minister since Vietnam and the ROK established diplomatic relations in December 1992.

A solemn reception was held at Seoul Airport. Two big national flags of Vietnam and the ROK were displayed in front of the airport. ROK Foreign Minister Han Sung-chu greeted the prime minister and distinguished Vietnamese guests at the airplane. Receiving the prime minister were also many high-ranking ROK officials and Pak No-su, ROK ambassador to Vietnam. Our ambassador, Nguyen Phu Binh, SRV Embassy staff, and many Vietnamese students were also present. Minister Han Sung-chu invited the prime minister to review the Presidential Palace guards of honor, who were wearing national costumes with swords, in salutation.

The prime minister left the airport for the (Sila) Hotel, where he will stay during the visit. Minister Han Sung-chu escorted the prime minister to the hotel and wished him success during this magnificent visit.

Vo Van Kiet, ROK Premier Talk

*BK1405073793 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 13 Apr 93*

[Text] On the afternoon of 13 May, at the Great Hall of the ROK Prime Minister's Office, talks were held between Prime Minister Vo Van Kiet and Prime Minister Hwang In-song. Attending the talks, on the Vietnamese side were Foreign Minister Nguyen Manh Cam; Dau Ngoc Xuan, chairman of the State Commission for Cooperation and Investment; Ambassador Nguyen Phu Binh; and other

members. On the ROK side were Foreign Minister Han Sung-chu and other high-ranking officials.

The two prime ministers informed each other on their national situation and exchanged opinions on bilateral relations and international and regional issues of mutual concern. Prime Minister Hwang In-song heartily welcomed the visit by Prime Minister Vo Van Kiet, the first Vietnamese prime minister ever to visit the ROK. He described the visit as an important event in laying the foundation for broader cooperation between the ROK and Vietnam.

The two prime ministers were pleased to realize that the SRV-ROK relationship has made encouraging steps toward developing, especially since the establishment of diplomatic relations. They expressed the wish that the relations will further develop to match the potential and aspirations of the people of Vietnam and the ROK.

They exchanged and agreed on major orientations and measures on the mutually beneficial cooperation between Vietnam and ROK in all fields, especially in commerce, investment, science and technology for the benefit of ROK and Vietnam and for peace, friendship, and cooperation in the Asian Pacific region. The two prime ministers stressed that the two countries have great potentials, needs, and aspirations to broaden cooperation and supplement each other in national construction.

Prime Minister Vo Van Kiet confirmed that Vietnam attaches great importance to developing its cooperation with the ROK, a country with marvelous economic achievements; and will create all favorable conditions for ROK businessmen to invest in Vietnam.

Prime Minister Hwang In-song confirmed his nation's readiness to share with Vietnam its experiences in economic, scientific and technical development and to broaden cooperation with Vietnam in transport and communication, oil and gas exploitation, post and telecommunications, building material production, and personnel training.

The talks were held in an atmosphere of honesty and straightforwardness, marking a new step in the SRV-ROK friendship and relations of cooperation. Prime Minister Vo Van Kiet invited Prime Minister Hwang In-song to visit Vietnam. Prime Minister Hwang In-song thanked him for the invitation and expressed his wish to visit Vietnam.

After the conclusion of the talks, Foreign Ministers Nguyen Manh Cam and Han Sung-chu, on behalf of the two governments, signed an agreement on investment promotion and guarantees, an agreement on commerce, and an agreement on aviation cooperation. Prime Ministers Vo Van Kiet and Hwang In-song witnessed the signing ceremony. The signed agreements are legal documents which serve as bases for the development of economic and commercial cooperation between Vietnam and the ROK in the future.

In the evening, Prime Minister Hwang In-song feted Prime Minister Vo Van Kiet and his party at the former's residence.

Doan Khue Meets Visiting PRC Defense Minister

*BK1305150793 Hanoi VNA in English 1441 GMT
13 May 93*

[Text] Hanoi VNA May 13—A military delegation of the People's Republic of China led by the Minister of Defence Senior-Lieutenant General Chi Haotian, arrived here this afternoon for an official visit to Vietnam. The delegation was welcomed by Defence Minister General Doan Khue, Vice Defence Minister Lieutenant-General Nguyen Thoi Bung, and other high ranking officers. Also present were Chinese Ambassador Zhang Qing and Colonel Li Delin, military attache of the Chinese Embassy. General Doan Khue and Senior-Lieutenant General Chi Haotian reviewed a guard of honour of the Vietnam People's Army. At a reception after the welcoming ceremony, General Doan Khue expressed his confidence that this visit is an important contribution to strengthening the friendship and mutual understanding between the peoples and armies of the two countries.

Senior-Lieutenant General Chi Haotian expressed his joy at visiting Vietnam and thanked General Doan Khue and the Vietnamese officers and men for their hospitality. After expressing his pleasure at the normalisation of Sino-Vietnamese relations, and the exchange of visits between leaders of the two countries and armies, Senior-Lieutenant General Chi Haotian said: 'We have come to Vietnam in order together with you to develop the friendship and cooperation between our two countries'. A grand reception was arranged here this evening by General Doan Khue in honour of the Chinese delegation.

Commentary: EC Relations Benefit Both Sides

*BK1305095293 Hanoi Voice of Vietnam in English
1000 GMT 12 May 93*

[Station commentary]

[Text] Mr. (?Engimiel Wilkinson), the director of the Southeast Asian Department of the European Community in Brussels, said: Vietnam garments occupy an important position in the EC market. He said the EC will help Vietnam in its efforts to switch to a market economy. Our radio has this to say.

Prior to 1990, European Community aid to Vietnam was about \$850,000. When the EC officially established diplomatic relations with Vietnam late in 1990, the amount of aid increased to \$51 million. Many EC leaders have acknowledged of the fact that Vietnam has quickly oriented its economic development towards EC by exporting its marine products and garments to European countries.

As pointed out by Mr Wilkinson, in order to create favorable conditions for Vietnam to increase its export to the EC, late last year an agreement on garment was signed between

Vietnam and the EC. Also, according to Mr Wilkinson it was time to sign a framework agreement for cooperation between Vietnam and EC. Provisions of the agreement are now being discussed by EC member countries.

In the near future EC will implement a technical program aimed at helping Vietnam to switch to a market economy. The program may bring further aid to Vietnam through bilateral assistance and help Vietnam resolve problems relating to debts and credits. Of course, the program will bring about benefit to both Vietnam and the EC.

Russian Parliament Chairman Receives Envoy

*BK1405143793 Hanoi VNA in English 1424 GMT
14 May 93*

[Text] Hanoi VNA May 14—Chairman of the Supreme Soviet of the Russian Federation R. Khasbulatov on May 13 received Ho Huan Nghiem, Vietnamese ambassador to Russia.

Chairman R. Khasbulatov hailed Vietnam's remarkable successes in economic reforms and external relations. He expressed the Russian leaders' wish for consolidation and development of the traditional relations of friendship and comprehensive cooperation between Russia and Vietnam, particularly between the two parliaments. He said that there are ample possibilities for broadening cooperation between Vietnam and Russia in the interests of the two peoples.

Military Delegation Visits Thailand 11 May

*BK1205150993 Hanoi VNA in English 1405 GMT
12 May 93*

[Text] Hanoi VNA May 12—A military delegation of Vietnam led by Senior Lieutenant-general Dao Dinh Luyen, chief of the General Staff of the Vietnam People's Army and deputy minister of defence, arrived in Bangkok on May 11 for a five-day visit as guest of the Thai royal army commander, General Wimon Wongwanit.

After the welcoming ceremony General Dao Dinh Luyen and his party were cordially received by General Wimon Wongwanit.

The Vietnamese general later paid a courtesy visit to the commander-in-chief of the Thai Royal Army, General Woranat Aphichari, and Deputy Foreign Minister Surin Phitsuwan.

On the same day, Thai Prime Minister Chuan Likphai received Dao Dinh Luyen and his delegation. The prime minister expressed satisfaction at the new development of the friendship and mutual understanding between the two peoples and armies. He said that in the international context it is necessary to strengthen mutual support and cooperation among neighbouring countries and that Thailand wishes to promote the exchanges between the two countries aimed at building good neighbourhood relations.

Vice President Receives Burmese Ambassador

*BK1205145993 Hanoi VNA in English 1414 GMT
12 May 93*

[Text] Hanoi VNA May 12—Vice President Madam Nguyn Thi Binh received here today Myanmar [Burmese] Ambassador to Vietnam U Win Shein who paid her a farewell visit at the end of his term of office in Vietnam.

The vice president expressed her joy at the recent fine development of the traditional friendship between the two countries and highly valued the Myanmar ambassador's contribution to this development.

Lao Prime Minister Welcomes Tran Hoan, Delegates

*BK1205144593 Hanoi VNA in English 1408 GMT
12 May 93*

[Text] Hanoi VNA May 12—Lao Prime Minister Khamtai Siphandon, chairman of the Lao People's Revolutionary Party Central Committee, on May 10 received in Vientiane Minister Tran Hoan, head of a visiting delegation of the Vietnamese Ministry of Culture and Information.

Chairman Khamtai Siphandon welcomed the delegation's visit as a contribution to strengthening and developing the time-honoured relations of special friendship and cooperation between the two countries.

Party Gains Over 37,000 Members in 1992

*BK1305122693 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 12 May 93*

[Text] According to incomplete statistics, as part of the party renovation and rectification program whose emphasis is placed on quality standards for developing party membership, in 1992 party organizations country-wide recruited over 37,000 new members, representing a 4 percent increase over 1991. This was a year with a fast increase in party membership.

Party organizations with good records in developing their party membership are those of Quang Ninh, Quang Nam-Danang, Lam Dong, Hai Hung, the Public Security Force, the party Central Committee Ideological and Cultural Department, and the party Central Internal Affairs Department.

Le Duc Anh Visits Southern Provinces, Cities

*BK1205124593 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 11 May 93*

[Text] Comrade Le Duc Anh, SRV president, recently paid a working visit to provinces of the Mekong River delta and Ho Chi Minh City. During his working session with party and people's committees in Can Tho Province, Comrade Le Duc Anh heard reports by Comrade Luong Van Dien, secretary of the provincial party committee, and representatives of mass organizations on the

campaign to lead and motivate the people to increase production, improve the socioeconomic situation, and strengthen national security and defense.

Comrade Le Duc Anh commended people and cadres of the province for their efforts and achievements in the struggle against poverty and hunger and in developing the socioeconomic situation. He urged the province to bring the spirit of unity into full play to strengthen its production activities, especially agricultural production for consumption and export.

President Le Duc Anh called on and presented gifts to families who have provided meritorious services to the revolution. During his visit to the 9th Military Region Command, Comrade Le Duc Anh urged leading cadres of the region to formulate plans to protect the people's lives and property at the border and on offshore islands. He asked them to strive to build the border area into a friendship bridge with the neighboring country.

In his visit to Kien Giang, President Le Duc Anh addressed a meeting with leading cadres of the province. He commended Kien Giang for its progress made in the socioeconomic and security domains. He praised the province for its efforts to increase fishery production and improve maritime product processing industry. He urged leading cadres of the province to pay attention to fully collecting registration fees of sea fishing vessels while strengthening defense activities to protect the fatherland's southwestern coastal areas.

In Soc Trang Province, President Le Duc Anh said that 54 ethnic minority groups from throughout the country have been living here happily with Vietnamese, Khmer, and Chinese people and have scored many great achievements under the party leadership. Today, these ethnic minorities in the great family of Vietnam have still maintained their unity to build a new life in independence and freedom. The president urged Soc Trang Province to build more dikes to prevent sea waters from penetrating to ricefields, improve the quality of cultivated land in coastal areas, and quickly bring electricity to the rural areas to serve production and the people's daily life.

In Ho Chi Minh City, President Le Duc Anh heard Comrade Truong Tan Sang, chairman of the city people's committee, report on the socioeconomic and security situation in the city in the first four months of 1993. During the past four months, 13 million kilowatt hours of electricity have been supplied to the city. Daily power outages did not occur as in the second and third quarters last year. Agricultural production exceeded the plan norm by more than 30 percent. Export value was \$181 million while import was \$221 million. The city has also provided jobs for 120,000 workers, provided loans to 25 percent to the total poor households, and built more than 600 friendship houses for families of fallen soldiers.

Comrade Le Duc Anh, however, urged the city to make great efforts to overcome the remaining issues. These include the problems of goods smuggling, weak production

enterprises—300 of the total 800 enterprises have been operating at a loss, the expansion of prostitution, 12,000 drug addicts, and more than 200 HIV-positive patients.

Government Issues Decree on Border Commission

*BK1205142593 Hanoi VNA in English 1359 GMT
12 May 93*

[Text] Hanoi VNA May 12—The government has issued a decree defining the task, powers and organization of the government border commission.

The decree says that the border commission of the government is an office of the government entrusted with exercising state management and guidance in handling questions relating to the border and national territory, determining the sovereignty and other rights of the Socialist Republic of Vietnam on land, sea, airspace, islands and the national continental shelf.

The border commission is the permanent office of the Vietnamese Continental Shelf Research Sub-committee set up in 1984 and also the permanent office and assistant body of the steering committee on problems concerning the East Sea and the Spratly Islands as provided for in decision 252/HDBT of July 6, 1992.

The border commission of the government has the task of assisting the government in delineating the national border, the territorial waters and continental shelf, the scope of Vietnam's sovereignty and other rights regarding the islands, sea area, continental shelf and airspace. It will also make studies and proposals on the signing and approval of international conventions relating to the border and territory, and the control of the sea area, airspace and continental shelf.

It also has the mandate to cooperate with international organizations, countries in the region and other countries in the exchange of information, materials and experiences as well as in the settlement of disputes about the border, territory, sea area and continental shelf.

UNFPA Funds Three Population Projects

*BK1305151393 Hanoi VNA in English 1445 GMT
13 May 93*

[Text] Hanoi VNA May 13—The Vietnamese National Committee on Population Activity and Family Planning today signed three more projects on population family planning funded by UNFPA [United Nations Population Fund] for 1993-1995. These projects to be implemented at a cost of nearly 2.5 million USD [U.S. dollars] are VIE/93/P03 for the General Department of Statistics, VIE/93/P12 for the Ministry of Public Health, and VIE/93/P18 for the Vietnam General Confederation of Labour. They are designed to help Vietnam improve its population censuses, supervise the programmes on population, raise the professional skill of those engage in mother and child care and the education campaign about planned parenthood.

Australia

Cane Growers Fear U.S. Cut in Sugar Imports

*BK1405090293 Melbourne Radio Australia in English
0500 GMT 14 May 93*

[Text] Australian cane growers fear an American decision to cut sugar imports could have serious implications for beef, wheat, and other export commodities. Queensland's cane growers' general manager, Ian Valentine, says if Washington is prepared to renege on agreements about sugar, it will do the same with other Australian products.

Trade Minister Peter Cook says the United States wants to cut imports by another 10,000 tons. The president of the National Farmers Federation, Graham Blight, says sugar exports to the United States have fallen by about 200,000 tons in the past decade.

Mr. Blight described the state of the agricultural industry as fragile.

Minister: U.S. Ties To Remain Important

*BK1305124593 Melbourne Radio Australia in English
0803 GMT 13 May 93*

[From the "International Report" program]

[Text] Australia is preparing to outline its defense thinking and policies for the post-cold war era. The Australian Government says it will release a review of defense policy in September and that a new White Paper on Defense, the first in seven years, will be released next year. Defense Minister Robert Ray says Australia's military relationship with the United States will remain important but that regional defense links will be equally important. Graeme Dobell reports on the preparation of the formal document, which will guide Australian military thinking until the end of the decade.

[Begin recording] [Dobell] Senator Ray said he wants to look at whether Australia should adjust defense settings because of the end of the cold war. Although the defense minister assumes that Australian changes will be smaller than most because Australia's defense was always shaped by regional rather than superpower realities.

[Ray] Well, it actually gives us challenges in different directions, you can see from the current world order, that the ending of the cold war has in fact created more problems than before, but not a substantial problem. In other words, we don't have the threat from a nuclear war. But we don't have the discipline that quite often occurred before in [word indistinct], the Horn of Africa, and elsewhere, where various client states were held in check by the superpowers. Now you are seeing emerging all sorts of ethnic and regional disputes and the world's trying to grapple how we solve those disputes.

[Dobell] The emphasis over the last couple of years on peacekeeping. How do you see peacekeeping? Second, what do you think about Australia's defense force?

[Ray] I think the first thing I should mention about peacekeeping is we want to make an equivalent contribution to peacekeeping rather than to have a position in the world totem pole, which is not, either at the top or the bottom. And some people confuse that with our capacity to do things. We take an attitude that we should make an equivalent contribution around the globe and to our size as a world power. That basically means, round about our current level of deployment like Somalia would be about the average deployment (?we send) around the globe.

[Dobell] Does it affect though the way you structure the defense force, the argument in the past has been that it doesn't?

[Ray] Absolutely not. We are structured for the defense of Australia. Some people advance the argument we should be doing special assignments for United Nations peacekeeping etc. We have found that our current training methods leave us totally adaptable to those other tasks. There is no need for any specialist training other than possibly in the area of language where specially in the army towards the end of this century nearly all officers will have a second language and that will be a regional language.

[Dobell] Senator Ray says power relativities in Australia's region are remarkably stable and this significant new step in reviewing defense policy with the dispatch of an Australian military team to visit the ASEAN states of Southeast Asia, asking their views on what should be in the formal statement of Australian defense thinking. It's a striking illustration of the idea that Australia intends seeking its security with, not from, Southeast Asia.

[Ray] I see it going as a step-by-step building process. I don't see any revolutionary initiatives, any revolutionary change but just an evolutionary process. We have managed, I think in the last few years, to establish military to military contacts in Asia based on the concept to transparency. We all know what we're doing. We're going to verify what we're doing. And that's built a degree of trust. The person-inter-person relationships between our military leaders and those from Southeast Asia are excellent. I intend to make sure that those are built on in the future. [end recording]

Keating Views SRV Premier's Upcoming Visit

*BK1305065093 Melbourne Radio Australia in English
0500 GMT 13 May 93*

[Text] The Australian Government says the visit later this month by the Vietnamese prime minister, Vo Van Kiet, will underline a better and closer relationship with Vietnam. Australia's prime minister, Paul Keating, says the visit—a first by Vietnamese prime minister since the communist victory in 1975—could be a step toward reconciliation with Vietnamese now living in Australia.

Mr. Keating said his government would consult with Australia's Vietnamese community on the issue to be

discussed with Kiet. The Vietnamese prime minister will visit Australia for five days starting from 26 May.

Mr. Keating said that while the anti-communist Vietnamese community in Australia had difficulties with the Vietnamese Government, the community's language and cultural links could build business links.

Australia's prime minister said bilateral merchandise trade with Vietnam had grown from less than \$2 million [Australian dollars] in 1982 to \$250 million last year.

In April, Australia's biggest company, BHP, had signed an agreement paving the way for the \$1.5 billion development of the Dai Hung oilfield in Vietnam. BHP's involvement, he said, placed Australia at the front rank of investors in Vietnam.

Mr. Keating said that in 1992, Australia would be the sixth largest investor in Vietnam with about \$390 million invested in 22 projects. He said Mr. Kiet's visit would consolidate the excellent progress in Australia's growing commercial and cultural relationship with Vietnam.

Iranian Minister Denies Arms Purchases

LD1105190893 Tehran IRNA in English 1733 GMT 11 May 93

[Text] Tehran, May 11, IRNA—Deputy Foreign Minister Morteza Sarmadi, currently visiting Canberra, told Australian Foreign Minister Gareth Evans that Western allegations on Iran's arms purchases were all baseless and unfounded.

Sarmadi, also a spokesman for the Foreign Ministry, said Iran's defence budget is less than those of most countries in the Middle East.

"It is clear to us that such propaganda is intended to force small countries of the region to increase their

defence budget so as to save Western arms industries now hit by stagnation," he said.

The two also underlined the need to explore new areas for cooperation between the two countries.

Solomon Islands

Bank Says PNG Crisis Affecting Economy

BK1405075093 Melbourne Radio Australia in English 0500 GMT 15 May 93

[Text] The Central Bank of Solomon Islands has confirmed reports that the crisis on neighboring Bougainville is affecting the country's economy. In its 1992 annual report released in Honiara, the Central Bank says the Solomon Islands recorded a recovery during the year, but its underlying problems remained, and in several respects, grew more acute.

The report says the Solomon Islands' gross domestic product grew by 8 percent as a result of an increase of at least 80 percent in log production. Domestic borrowing by the government was reduced during 1992 to \$10 million [currency not further specified] from \$25 million the previous year. But the bank says despite the recovery, the country's economic problems grew more acute.

It says these include a lack of coherence in policy making and politicization of resource management. The bank says the government is spending millions of dollars each year because of the human suffering and political fallout from the Bougainville crisis in the neighboring Papua New Guinea. It says this additional spending will not end until the Bougainville crisis is resolved.

Solomon Islands Government spends more than \$30,000 a year maintaining 50 police personnel on the border and spends more on looking after Bougainvillians who have crossed into the country seeking medical assistance.